

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐

<b>APPLICATION FOR PERMIT TO DRILL</b>				<b>1. WELL NAME and NUMBER</b> NBU 1022-35J1CS		
<b>2. TYPE OF WORK</b> DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>				<b>3. FIELD OR WILDCAT</b> NATURAL BUTTES		
<b>4. TYPE OF WELL</b> Gas Well Coalbed Methane Well: NO				<b>5. UNIT or COMMUNITIZATION AGREEMENT NAME</b> NATURAL BUTTES		
<b>6. NAME OF OPERATOR</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.				<b>7. OPERATOR PHONE</b> 720 929-6587		
<b>8. ADDRESS OF OPERATOR</b> P.O. Box 173779, Denver, CO, 80217				<b>9. OPERATOR E-MAIL</b> mary.mondragon@anadarko.com		
<b>10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE)</b> UTU 037167		<b>11. MINERAL OWNERSHIP</b> FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>		<b>12. SURFACE OWNERSHIP</b> FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>		
<b>13. NAME OF SURFACE OWNER (if box 12 = 'fee')</b>				<b>14. SURFACE OWNER PHONE (if box 12 = 'fee')</b>		
<b>15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')</b>				<b>16. SURFACE OWNER E-MAIL (if box 12 = 'fee')</b>		
<b>17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')</b>		<b>18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS</b> YES <input checked="" type="checkbox"/> (Submit Commingling Application) NO <input type="checkbox"/>		<b>19. SLANT</b> VERTICAL <input type="checkbox"/> DIRECTIONAL <input checked="" type="checkbox"/> HORIZONTAL <input type="checkbox"/>		
<b>20. LOCATION OF WELL</b>	<b>FOOTAGES</b>	<b>QTR-QTR</b>	<b>SECTION</b>	<b>TOWNSHIP</b>	<b>RANGE</b>	<b>MERIDIAN</b>
<b>LOCATION AT SURFACE</b>	2305 FSL 676 FEL	NESE	35	10.0 S	22.0 E	S
<b>Top of Uppermost Producing Zone</b>	2170 FSL 1700 FEL	NWSE	35	10.0 S	22.0 E	S
<b>At Total Depth</b>	2170 FSL 1700 FEL	NWSE	35	10.0 S	22.0 E	S
<b>21. COUNTY</b> UINTAH		<b>22. DISTANCE TO NEAREST LEASE LINE (Feet)</b> 1700		<b>23. NUMBER OF ACRES IN DRILLING UNIT</b> 1320		
		<b>25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed)</b> 670		<b>26. PROPOSED DEPTH</b> MD: 8390 TVD: 8160		
<b>27. ELEVATION - GROUND LEVEL</b> 5684		<b>28. BOND NUMBER</b>		<b>29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE</b> Permit #43-8496		

**ATTACHMENTS****VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES**

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)	<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER
<input checked="" type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)	<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP
<b>NAME</b> Danielle Piernot	<b>TITLE</b> Regulatory Analyst
<b>SIGNATURE</b>	<b>PHONE</b> 720 929-6156
	<b>DATE</b> 10/01/2009
	<b>EMAIL</b> danielle.piernot@anadarko.com
<b>API NUMBER ASSIGNED</b> 43047507580000	<b>APPROVAL</b>  Permit Manager

Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Prod	7.875	4.5	0	8390		
Pipe	Grade	Length	Weight			
	Grade I-80 Buttress	8390	11.6			

Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Surf	12.25	9.625	0	1905		
Pipe	Grade	Length	Weight			
	Grade J-55 LT&C	1905	36.0			

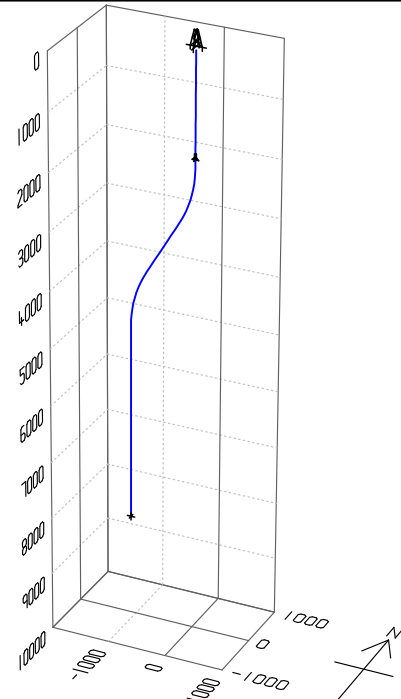
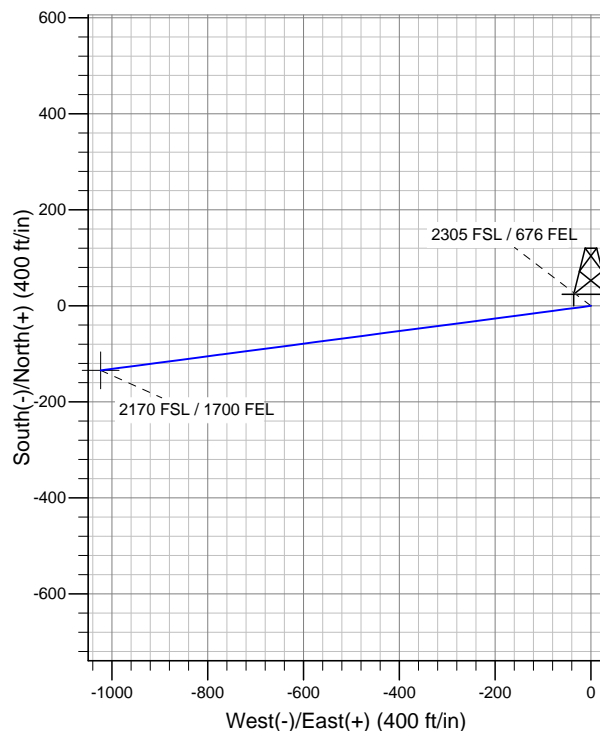
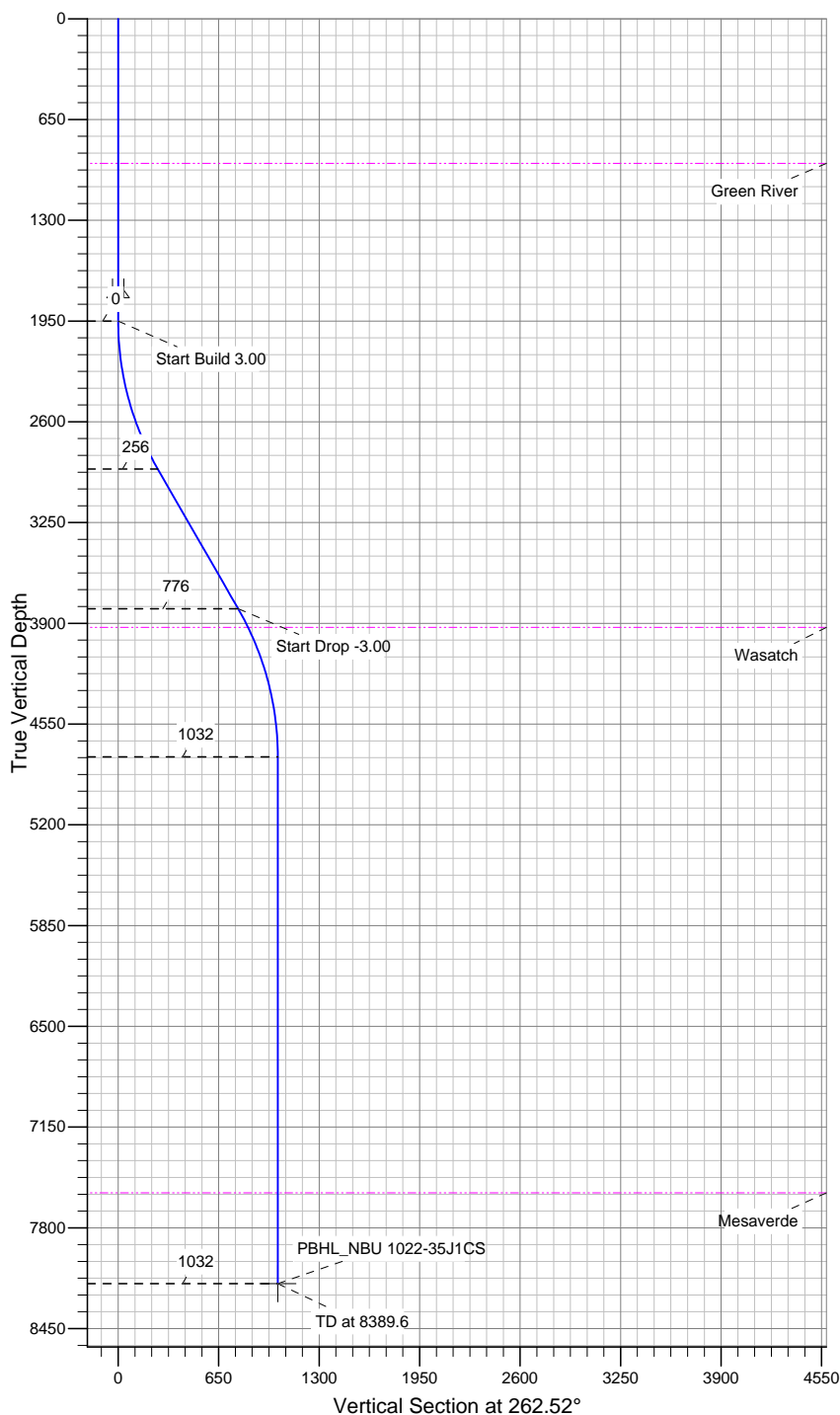




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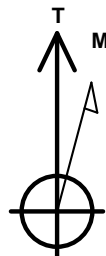


Well Name: P\_NBU 1022-35J1CS  
 Surface Location: UINTAH\_NBU 1022-35I PAD  
 NAD 1927 (NADCON CONUS) Universal Transverse Mercator (US Survey Feet)  
 UTAH - UTM (feet), NAD27, Zone 12N  
 Ground Elevation: 5680.0  
 Northing 14495295.90 Easting 2089323.15 Latitude 39.904508°N Longitude 109.399361°W



#### SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0
2	1950.0	0.00	0.00	1950.0	0.0	0.0	0.00	0.00	0.0
3	2950.0	30.00	262.52	2904.9	-33.3	-253.7	3.00	262.52	255.9
4	3991.3	30.00	262.52	3806.7	-101.1	-769.9	0.00	0.00	776.5
5	4991.3	0.00	0.00	4761.6	-134.4	-1023.6	3.00	180.00	1032.4
6	8389.6	0.00	0.00	8160.0	-134.4	-1023.6	0.00	0.00	1032.4



Azimuths to True North  
 Magnetic North: 11.28°

Magnetic Field  
 Strength: 52527.8snT  
 Dip Angle: 65.87°  
 Date: 4/15/2009  
 Model: IGRF200510

# **ROCKIES - PLANNING**

**UTAH - UTM (feet), NAD27, Zone 12N**

**UINTAH\_NBU 1022-35I PAD**

**P\_NBU 1022-35J1CS**

**P\_NBU 1022-35J1CS**

**Plan: Plan #1 04-15-09 ZJRA6**

## **Standard Planning Report - Geographic**

**15 April, 2009**

# APC

## Planning Report - Geographic

<b>Database:</b>	apc_edmp	<b>Local Co-ordinate Reference:</b>	Well P_NBU 1022-35J1CS
<b>Company:</b>	ROCKIES - PLANNING	<b>TVD Reference:</b>	WELL @ 5680.0ft (Original Well Elev)
<b>Project:</b>	UTAH - UTM (feet), NAD27, Zone 12N	<b>MD Reference:</b>	WELL @ 5680.0ft (Original Well Elev)
<b>Site:</b>	UINTAH_NBU 1022-35I PAD	<b>North Reference:</b>	True
<b>Well:</b>	P_NBU 1022-35J1CS	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	P_NBU 1022-35J1CS		
<b>Design:</b>	Plan #1 04-15-09 ZJRA6		

<b>Project</b>	UTAH - UTM (feet), NAD27, Zone 12N		
<b>Map System:</b>	Universal Transverse Mercator (US Survey Fee	<b>System Datum:</b>	Mean Sea Level
<b>Geo Datum:</b>	NAD 1927 (NADCON CONUS)		
<b>Map Zone:</b>	Zone 12N (114 W to 108 W)		

Site		UINTAH_NBU 1022-35I PAD			
Site Position:		Northing:	14,495,326.23ft	Latitude:	39.904590°N
From:	Lat/Long	Easting:	2,089,349.26ft	Longitude:	109.399266°W
Position Uncertainty:	0.0 ft	Slot Radius:	"	Grid Convergence:	1.03 °

Well	P_NBU 1022-35J1CS					
Well Position	+N/-S	0.0 ft	Northing:	14,495,295.90 ft	Latitude:	39.904508°N
	+E/-W	0.0 ft	Easting:	2,089,323.15 ft	Longitude:	109.399361°W
Position Uncertainty		0.0 ft	Wellhead Elevation:	ft	Ground Level:	5,680.0 ft

<b>Wellbore</b>	P_NBU 1022-35J1CS				
<b>Magnetics</b>	<b>Model Name</b>	<b>Sample Date</b>	<b>Declination (°)</b>	<b>Dip Angle (°)</b>	<b>Field Strength (nT)</b>
	IGRF200510	4/15/2009	11.28	65.87	52,528

<b>Design</b>	Plan #1 04-15-09 ZJRA6			
<b>Audit Notes:</b>				
<b>Version:</b>	<b>Phase:</b>	PLAN	<b>Tie On Depth:</b>	0.0
<b>Vertical Section:</b>	<b>Depth From (TVD) (ft)</b>	<b>+N/-S (ft)</b>	<b>+E/-W (ft)</b>	<b>Direction (°)</b>
	8,160.0	0.0	0.0	262.52

<b>Plan Sections</b>										
<b>Measured Depth (ft)</b>	<b>Inclination (°)</b>	<b>Azimuth (°)</b>	<b>Vertical Depth (ft)</b>	<b>+N/-S (ft)</b>	<b>+E/-W (ft)</b>	<b>Dogleg Rate (°/100ft)</b>	<b>Build Rate (°/100ft)</b>	<b>Turn Rate (°/100ft)</b>	<b>TFO (°)</b>	<b>Target</b>
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
1,950.0	0.00	0.00	1,950.0	0.0	0.0	0.00	0.00	0.00	0.00	
2,950.0	30.00	262.52	2,904.9	-33.3	-253.7	3.00	3.00	0.00	262.52	
3,991.3	30.00	262.52	3,806.7	-101.1	-769.9	0.00	0.00	0.00	0.00	
4,991.3	0.00	0.00	4,761.6	-134.4	-1,023.6	3.00	-3.00	0.00	180.00	
8,389.6	0.00	0.00	8,160.0	-134.4	-1,023.6	0.00	0.00	0.00	0.00	PBHL_NBU 1022-3

# APC

## Planning Report - Geographic

<b>Database:</b>	apc_edmp	<b>Local Co-ordinate Reference:</b>	Well P_NBU 1022-35J1CS
<b>Company:</b>	ROCKIES - PLANNING	<b>TVD Reference:</b>	WELL @ 5680.0ft (Original Well Elev)
<b>Project:</b>	UTAH - UTM (feet), NAD27, Zone 12N	<b>MD Reference:</b>	WELL @ 5680.0ft (Original Well Elev)
<b>Site:</b>	UINTAH_NBU 1022-35I PAD	<b>North Reference:</b>	True
<b>Well:</b>	P_NBU 1022-35J1CS	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	P_NBU 1022-35J1CS		
<b>Design:</b>	Plan #1 04-15-09 ZJRA6		

### Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Map Northing (ft)	Map Easting (ft)	Latitude	Longitude
0.0	0.00	0.00	0.0	0.0	0.0	14,495,295.90	2,089,323.15	39.904508°N	109.399361°W
933.0	0.00	0.00	933.0	0.0	0.0	14,495,295.90	2,089,323.15	39.904508°N	109.399361°W
<b>Green River</b>									
1,800.0	0.00	0.00	1,800.0	0.0	0.0	14,495,295.90	2,089,323.15	39.904508°N	109.399361°W
<b>Surface Casing</b>									
1,950.0	0.00	0.00	1,950.0	0.0	0.0	14,495,295.90	2,089,323.15	39.904508°N	109.399361°W
2,950.0	30.00	262.52	2,904.9	-33.3	-253.7	14,495,258.05	2,089,070.09	39.904417°N	109.400265°W
3,991.3	30.00	262.52	3,806.7	-101.1	-769.9	14,495,181.04	2,088,555.19	39.904230°N	109.402106°W
4,126.4	25.95	262.52	3,926.0	-109.3	-832.7	14,495,171.67	2,088,492.52	39.904208°N	109.402330°W
<b>Wasatch</b>									
4,991.3	0.00	0.00	4,761.6	-134.4	-1,023.6	14,495,143.20	2,088,302.13	39.904139°N	109.403010°W
7,803.6	0.00	0.00	7,574.0	-134.4	-1,023.6	14,495,143.20	2,088,302.13	39.904139°N	109.403010°W
<b>Mesaverde</b>									
8,389.6	0.00	0.00	8,160.0	-134.4	-1,023.6	14,495,143.20	2,088,302.13	39.904139°N	109.403010°W

### Targets

Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
- hit/miss target									
- Shape									
PBHL_NBU 1022-35J	0.00	0.00	8,160.0	-134.4	-1,023.6	14,495,143.20	2,088,302.13	39.904139°N	109.403010°W
- plan hits target center									
- Point									

### Casing Points

Measured Depth (ft)	Vertical Depth (ft)	Name	Casing Diameter (")	Hole Diameter (")
1,800.0	1,800.0	Surface Casing	9-5/8	12-1/4

### Formations

Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)
7,803.6	7,574.0	Mesaverde		0.00	
933.0	933.0	Green River		0.00	
4,126.4	3,926.0	Wasatch		0.00	

**NBU 1022-35J1CS**

Pad: NBU 1022-35I

Surface: 2,305' FSL 676' FEL (NE/4SE/4)

BHL: 2,170' FSL 1,700' FEL (NW/4SE/4)

Sec. 35 T10S R22E

Uintah, Utah

Mineral Lease: UTU 037167

**ONSHORE ORDER NO. 1**

***DRILLING PROGRAM***

1. – 2. **Estimated Tops of Important Geologic Markers:**  
**Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

<u>Formation</u>	<u>Depth</u>	<u>Resource</u>
Uinta	0 – Surface	
Green River	933'	
Birds Nest	1,328'	Water
Mahogany	1,705'	Water
Wasatch	3,926'	Gas
Mesaverde	6,082'	Gas
MVU2	6,974'	Gas
MVL1	7,574'	Gas
TVD	8,160'	
TD	8,390'	

3. **Pressure Control Equipment** (Schematic Attached)

*Please refer to the attached Drilling Program.*

4. **Proposed Casing & Cementing Program:**

*Please refer to the attached Drilling Program.*

5. **Drilling Fluids Program:**

*Please refer to the attached Drilling Program.*

6. **Evaluation Program:**

*Please refer to the attached Drilling Program.*

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 8,160' TVD, approximately equals 4,966 psi (calculated at 0.59 psi/foot).

Maximum anticipated surface pressure equals approximately 3,034 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

*Drilling is planned to commence immediately upon approval of this application.*

9. **Variances:**

*Please refer to the attached Drilling Program.*

*Onshore Order #2 – Air Drilling Variance*

*Kerr-McGee Oil & Gas Onshore LP (KMG) respectfully requests a variance to several requirements associated with air drilling outlined in Onshore Order 2*

- *Blowout Prevention Equipment (BOPE) requirements;*
- *Mud program requirements; and*
- *Special drilling operation (surface equipment placement) requirements associated with air drilling.*

*This Standard Operating Practices addendum provides supporting information as to why KMG current air drilling practices for constructing the surface casing hole should be granted a variance to Onshore Order 2 air drilling requirements.*

*The reader should note that the air rig is used only to construct a stable surface casing hole through a historically difficult lost circulation zone. A conventional rotary rig follows the air rig, and is used to drill and construct the majority of the wellbore.*

*More notable, KMG has used the air rig layout and procedures outlined below to drill the surface casing hole in approximately 675 wells without incident of blow out or loss of life.*

**Background**

*In a typical well, KMG utilizes an air rig for drilling the surface casing hole, an interval from the surface to surface casing depths, which varies in depth from 1,700 to 2,800 feet. The air rig drilling operation does not drill through productive or over pressured formations in KMG field, but does penetrate the Uinta and Green River Formations. The purpose of the air drilling operation is to overcome the severe loss circulation zone in the Green River known as the Bird's Nest while creating a stable hole for the surface casing. The surface casing hole is generally drilled to approximately 500 feet below the Bird's Nest.*

*Before the surface air rig is mobilized, a rathole rig is utilized to set and cement conductor pipe through a competent surface formation. Generally, the conductor is set at 40 feet. In some cases, conductor may be set deeper in areas that the surface formation is not found competent. This rig also drills the rat and mouse holes in preparation for the surface casing and production string drilling operations.*

*The air rig is then mobilized to drill the surface casing hole by drilling a 12-1/4 inch hole to just above the Bird's Nest interval with an air hammer. The hammer is then tripped and replaced with a 12-1/4 inch tri-cone bit. The tri-cone bit is used to drill to the surface casing point, approximately 500 feet below the loss circulation zone (Bird's Nest). The 9-5/8 inch surface casing is then run and cemented in place, thereby isolating the lost circulation zone.*

*KMG fully appreciates Onshore Order 2 well control and safety requirements associated with a typical air drilling operations. However, the requirements of Onshore Order 2 are excessive with respect to the air rig layout and drilling operation procedures that are currently in practice to drill and control the surface casing hole in KMG Fields.*

***Variance for BOPE Requirements***

*The air rig operation utilizes a properly lubricated and maintained air bowl diverter system which diverts the drilling returns to a six-inch blooie line. The air bowl is the only piece of BOPE equipment which is installed during drilling operations and is sufficient to contain the air returns associated with this drilling operation. As was discussed earlier, the drilling of the surface hole does not encounter any over pressured or productive zones, and as a result standard BOPE equipment should not be required. In addition, standard drilling practices do not support the use of BOPE on 40 feet of conductor pipe.*

***Variance for Mud Material Requirements***

*Onshore Order 2 also states that sufficient quantities of mud materials shall be maintained or readily accessible for the purpose of assuring adequate well control. Once again, the surface hole drilling operations does not encounter over pressured or productive intervals, and as a result there is not a need to control pressure in the surface hole with a mud system. Instead of mud, the air rigs utilize water from the reserve pit for well control, if necessary. A skid pump which is located near the reserve pit (see attachment) will supply the water to the well bore.*

***Variance for Special Drilling Operation (surface equipment placement) Requirements***

*Onshore Order 2 requires specific safety distances or setbacks for the placement of associated standard air drilling equipment, wellbore, and reserve pits. The air rigs used to drill the surface holes are not typical of an air rig used to drill a producing hole in other parts of the US. These are smaller in nature and designed to fit a KMG location. The typical air rig layout for drilling surface hole in the field is attached.*

*Typically the blooie line discharge point is required to be 100 feet from the well bore. In the case of a KMG well, the reserve pit is only 45 feet from the rig and is used for the drill cuttings. The blooie line, which transports the drill cuttings from the well to the reserve pit, subsequently discharges only 45 feet from the well bore.*

*Typically the air rig compressors are required to be located in the opposite direction from the blooie line and a minimum of 100 feet from the well bore. At the KMG locations, the air rig compressors are approximately 40 feet from the well bore and approximately 60 feet from the blooie line discharge due to the unique air rig design. The air compressors (see attachment) are located on the rig (1250 cfm) and on a standby trailer (1170 cfm). A booster sits between the two compressors and boosts the output from 350 psi to 2000 psi. The design does put the booster and standby compressor opposite from the blooie line.*

*Lastly, Onshore Order 2 addresses the need for an automatic igniter or continuous pilot light on the blooie line. The air rig does not utilize an igniter as the surface hole drilling operation does not encounter productive formations.*

***Variance for FIT Requirements***

*KMG also respectfully requests a variance to Onshore Order 2, Section III, Part Bi, for the pressure integrity test (PIT, also known as a formation integrity test (FIT)). The air rig operation utilizes a 5M BOPE when drilling. This well is not an exploratory well and is being drilled in an area where the formation integrity is well known. Additionally, when an FIT is run with the mud weight as required, the casing shoe frequently breaks down and causes subsequent lost circulation when drilling the entire depth of the well.*

***Conclusion***

*The air rig operating procedures and the attached air rig layout have effectively maintained well control while drilling the surface holes in KMG Fields. KMG respectfully requests a variance from Onshore Order 2 with respect to air drilling well control requirements as discussed above.*

**10. Other Information:**

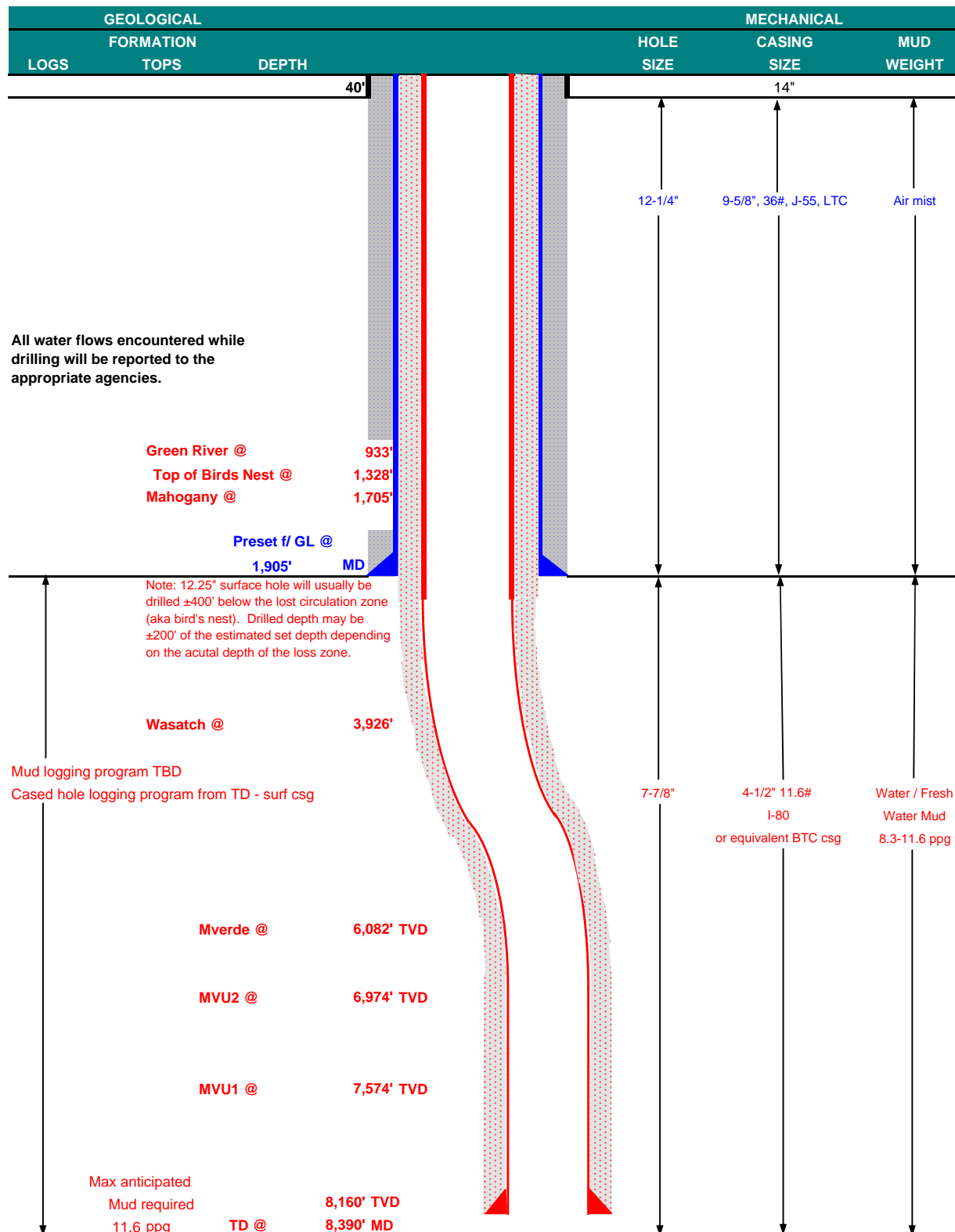
*Please refer to the attached Drilling Program.*





## KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP					DATE	September 16, 2009		
WELL NAME	NBU 1022-35J1CS					TD	8,160'	TVD	8,390' MD
FIELD	Natural Buttes		COUNTY	Uintah	STATE	Utah	FINISHED ELEVATION		5,680'
SURFACE LOCATION	NE/4 SE/4	2,305' FSL	676' FEL	Sec 35	T 10S	R 22E			
	Latitude:	39.904474	Longitude:	-109.400041	NAD 83				
BTM HOLE LOCATION	NW/4 SE/4	2,170' FSL	1,700' FEL	Sec 35	T 10S	R 22E			
	Latitude:	39.904106	Longitude:	-109.403690	NAD 83				
OBJECTIVE ZONE(S)	Wasatch/Mesaverde								
ADDITIONAL INFO	Regulatory Agencies: BLM (Minerals), BLM (Surface), UDOGM Tri-County Health Dept.								





## KERR-McGEE OIL & GAS ONSHORE LP

### DRILLING PROGRAM

#### CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				3,520	2,020	453,000
SURFACE	9-5/8"	0 to 1,905	36.00	J-55	LTC	1.09	2.27	8.41
						7,780	6,350	278,000
PRODUCTION	4-1/2"	0 to 8,390	11.60	I-80	BTC	2.49	1.29	3.27

1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point))

2) MASP (Prod Casing) = Pore Pressure at TD - (0.22 psi/ft-partial evac gradient x TD)

(Burst Assumptions: TD = 11.6 ppg)

0.22 psi/ft = gradient for partially evac wellbore

(Collapse Assumption: Fully Evacuated Casing, Max MW)

(Tension Assumptions: Air Weight of Casing\*Buoy.Fact. of water)

**MASP 3,034 psi**

3) Maximum Anticipated Bottom Hole Pressure (MABHP) = Pore Pressure at TD

(Burst Assumptions: TD = 11.6 ppg)

0.59 psi/ft = bottomhole gradient

(Collapse Assumption: Fully Evacuated Casing, Max MW)

(Tension Assumptions: Air Weight of Casing\*Buoy.Fact. of water)

**MABHP 4,966 psi**

#### CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500'	Premium cmt + 2% CaCl	215	60%	15.60	1.18
			+ 0.25 pps flocele				
Option 1							
	TOP OUT CMT (6 jobs)	1,200'	20 gals sodium silicate + Premium cmt	380	0%	15.60	1.18
			+ 2% CaCl + 0.25 pps flocele				
			Premium cmt + 2% CaCl				
SURFACE		<b>NOTE: If well will circulate water to surface, option 2 will be utilized</b>					
Option 2							
	LEAD	1,405'	65/35 Poz + 6% Gel + 10 pps gilsonite	330	35%	12.60	1.81
			+ 0.25 pps Flocele + 3% salt BWOW				
	TAIL	500'	Premium cmt + 2% CaCl	180	35%	15.60	1.18
			+ 0.25 pps flocele				
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,420'	Premium Lite II + 3% KCl + 0.25 pps	330	40%	11.00	3.38
			celloflake + 5 pps gilsonite + 10% gel				
			+ 0.5% extender				
	TAIL	4,970'	50/50 Poz/G + 10% salt + 2% gel	1,220	40%	14.30	1.31
			+ 0.1% R-3				

\*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

\*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

#### FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe
PRODUCTION	Float shoe, 1 jt, float collar. No centralizers will be used.

#### ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. The BOPE will be installed before the production hole is drilled and tested to 5,000 psi (annular to 2,500 psi) prior to drilling out the surface casing shoe. Record on chart recorder and tour sheet. Function test rams on each trip. Maintain safety valve and inside BOP on rig floor at all times. Most rigs have top drives; however, if used, the Kelly is to be equipped with upper and lower kelly valves.

Surveys will be taken at 1,000' minimum intervals.

Most rigs have PVT System for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER:

John Huycke / Emile Goodwin

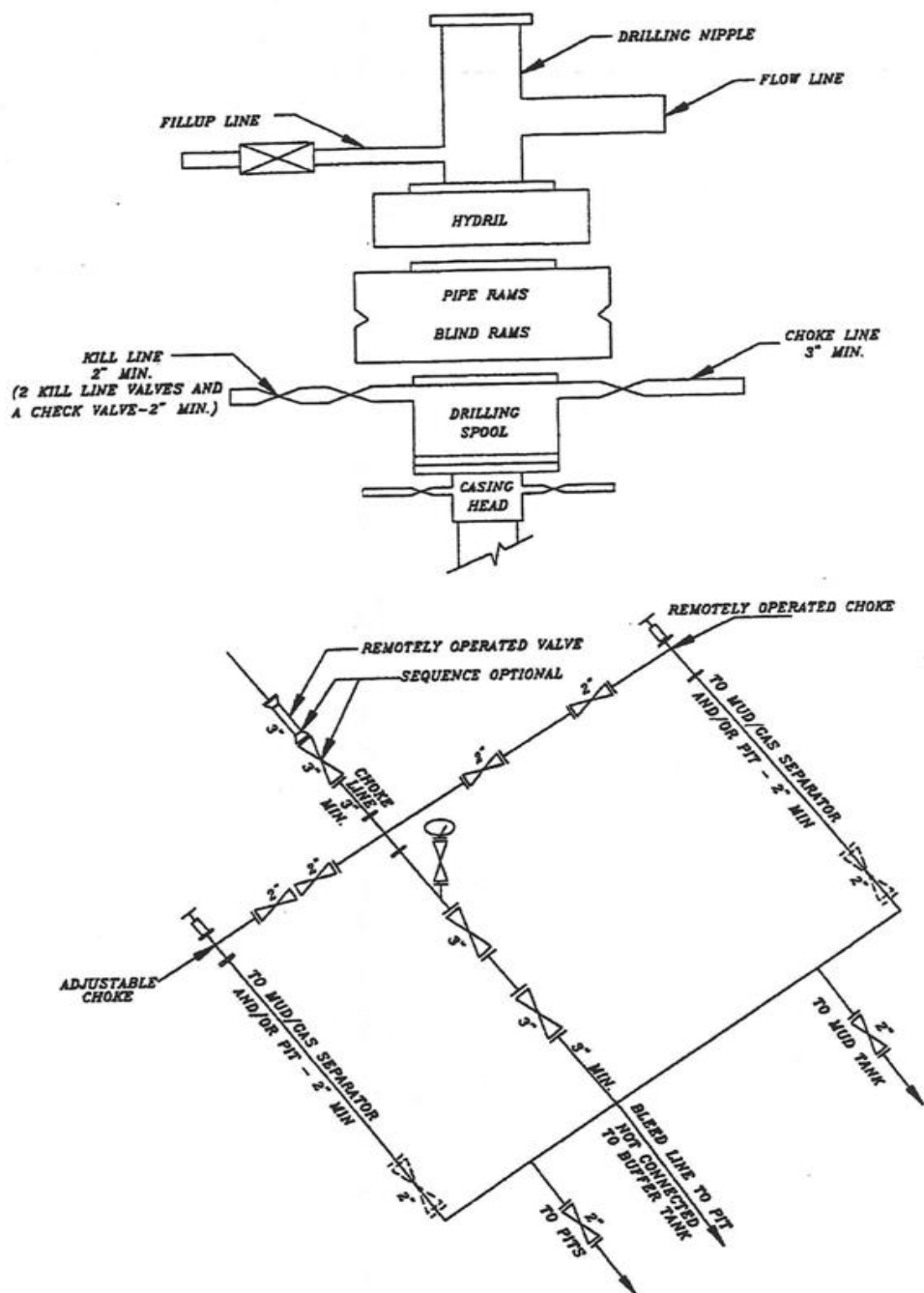
DATE:

DRILLING SUPERINTENDENT:

John Merkel / Lovel Young

DATE:

# EXHIBIT A NBU 1022-35J1CS



SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK

# WELL PAD INTERFERENCE PLAT

DIRECTIONAL PAD – NBU 1022–35J4CS, NBU 1022–35J1CS,  
NBU 1022–35I4BS & NBU 1022–35I1CS



LATITUDE & LONGITUDE Surface Position – (NAD 83)		
WELL	N. LATITUDE	W. LONGITUDE
1022–35J4CS	39°54'15.960" 39.904433°	109°24'00.318" 109.400088°
1022–35J1CS	39°54'16.108" 39.904474°	109°24'00.147" 109.400041°
1022–35I4BS	39°54'16.256" 39.904516°	109°23'59.977" 109.399994°
1022–35I1CS	39°54'16.404" 39.904557°	109°23'59.807" 109.399946°

LATITUDE & LONGITUDE Bottom Hole – (NAD 83)		
WELL	N. LATITUDE	W. LONGITUDE
1022–35J4CS	39°54'08.260" 39.902294°	109°24'14.577" 109.404049°
1022–35J1CS	39°54'14.780" 39.904106°	109°24'13.285" 109.403690°
1022–35I4BS	39°54'11.115" 39.903088°	109°23'57.383" 109.399273°
1022–35I1CS	39°54'14.771" 39.904103°	109°23'57.378" 109.399272°

LATITUDE & LONGITUDE Surface Position – (NAD 27)		
WELL	N. LATITUDE	W. LONGITUDE
1022–35J4CS	39°54'16.081" 39.904467°	109°23'57.871" 109.399409°
1022–35J1CS	39°54'16.229" 39.904508°	109°23'57.700" 109.399361°
1022–35I4BS	39°54'16.377" 39.904549°	109°23'57.529" 109.399314°
1022–35I1CS	39°54'16.525" 39.904590°	109°23'57.359" 109.399266°

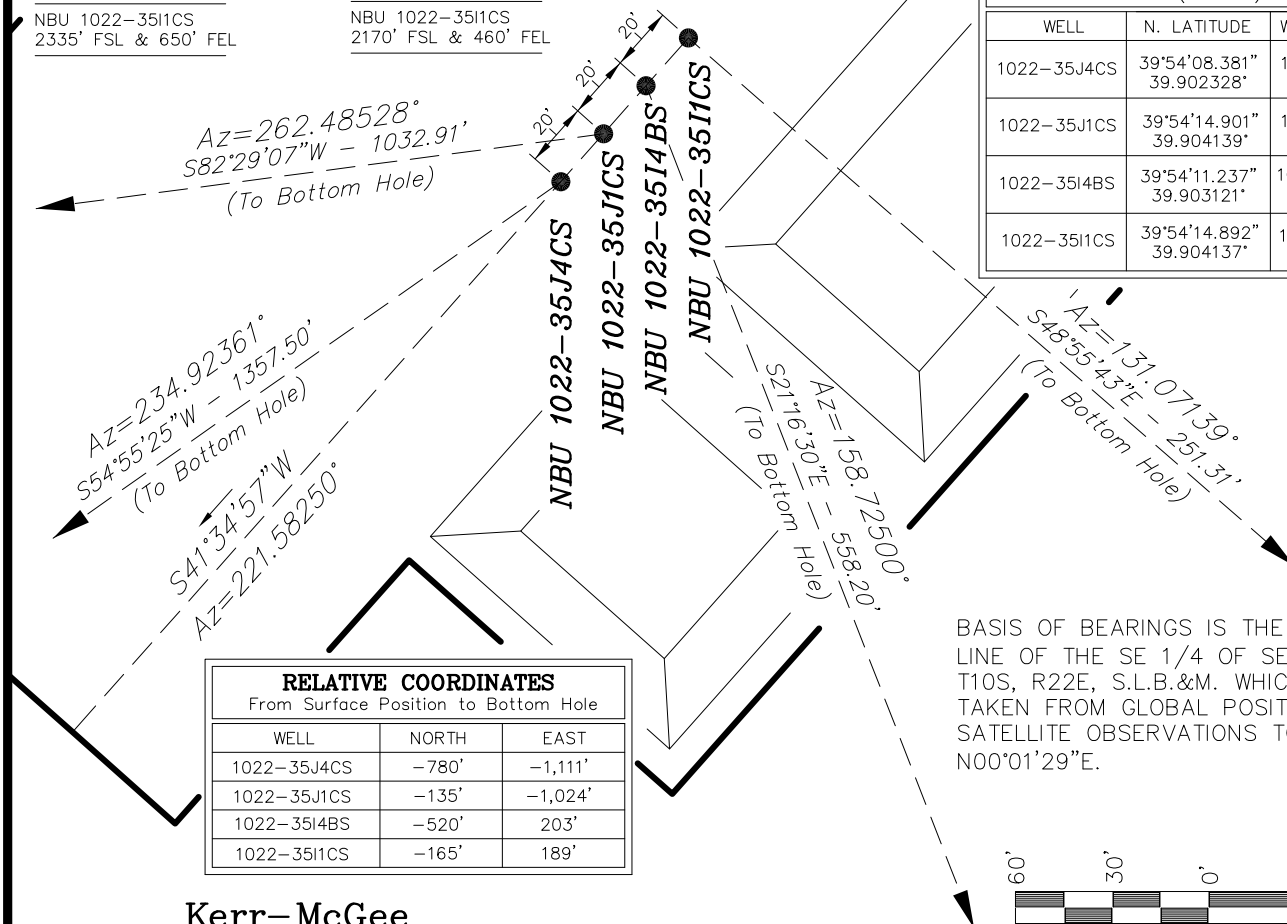
LATITUDE & LONGITUDE Bottom Hole – (NAD 27)		
WELL	N. LATITUDE	W. LONGITUDE
1022–35J4CS	39°54'08.381" 39.902328°	109°24'12.129" 109.403369°
1022–35J1CS	39°54'14.901" 39.904139°	109°24'10.837" 109.403010°
1022–35I4BS	39°54'11.237" 39.903121°	109°23'54.936" 109.398593°
1022–35I1CS	39°54'14.892" 39.904137°	109°23'54.931" 109.398592°

## SURFACE POSITION FOOTAGES:

NBU 1022–35J4CS  
2290' FSL & 689' FEL  
  
NBU 1022–35J1CS  
2305' FSL & 676' FEL  
  
NBU 1022–35I4BS  
2320' FSL & 663' FEL  
  
NBU 1022–35I1CS  
2335' FSL & 650' FEL

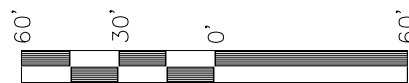
## BOTTOM HOLE FOOTAGES

NBU 1022–35J4CS  
1510' FSL & 1800' FEL  
  
NBU 1022–35J1CS  
2170' FSL & 1700' FEL  
  
NBU 1022–35I4BS  
1800' FSL & 460' FEL  
  
NBU 1022–35I1CS  
2170' FSL & 460' FEL



RELATIVE COORDINATES From Surface Position to Bottom Hole		
WELL	NORTH	EAST
1022–35J4CS	–780'	–1,111'
1022–35J1CS	–135'	–1,024'
1022–35I4BS	–520'	203'
1022–35I1CS	–165'	189'

BASIS OF BEARINGS IS THE EAST LINE OF THE SE 1/4 OF SECTION 35, T10S, R22E, S.L.B.&M. WHICH IS TAKEN FROM GLOBAL POSITIONING SATELLITE OBSERVATIONS TO BEAR N00°01'29"E.

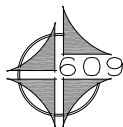


SCALE

**Kerr–McGee**  
Oil & Gas Onshore, LP

1099 18th Street – Denver, Colorado 80202

NBU 1022–35J4CS, NBU 1022–35J1CS,  
NBU 1022–35I4BS & NBU 1022–35I1CS  
LOCATED IN SECTION 35, T10S, R22E,  
S.L.B.&M. UTAH COUNTY, UTAH.

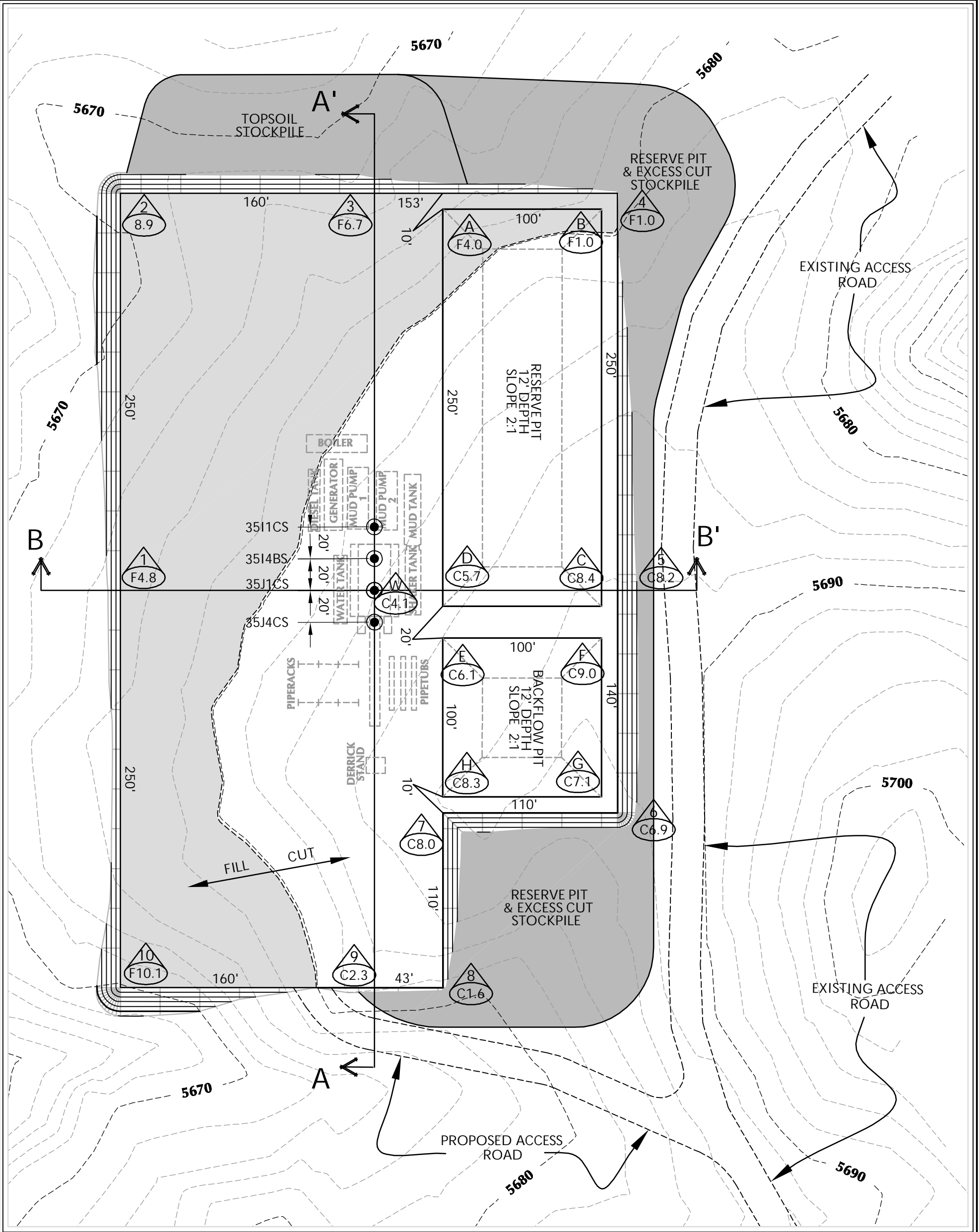


CONSULTING, LLC  
371 Coffeen Avenue  
Sheridan WY 82801  
Phone 307-674-0609  
Fax 307-674-0182

DATE SURVEYED: 02-12-09	SURVEYED BY: M.S.B.
DATE DRAWN: 02-16-09	DRAWN BY: M.W.W.
	REVISED:

**Timberline** (435) 789-1365  
Engineering & Land Surveying, Inc.  
209 NORTH 300 WEST VERNAL, UTAH 84078

SHEET  
**5**  
OF 13



WELL PAD NBU 1022-35I QUANTITIES

EXISTING GRADE @ CENTER OF WELL PAD = 5684.0'  
FINISHED GRADE ELEVATION = 5679.9'  
CUT SLOPES = 1.5:1  
FILL SLOPES = 1.5:1

TOTAL CUT FOR WELL PAD = 12,903 C.Y.  
TOTAL FILL FOR WELL PAD = 12,498 C.Y.  
TOPSOIL @ 6" DEPTH = 2,962 C.Y.  
EXCESS MATERIAL = 405 C.Y.  
TOTAL DISTURBANCE = 3.67 ACRES  
SHRINKAGE FACTOR = 1.10  
SWELL FACTOR = 1.00  
RESERVE PIT CAPACITY (2' OF FREEBOARD)  
+/- 28,730 BARRELS  
RESERVE PIT VOLUME  
+/- 7,720 CY  
BACKFLOW PIT CAPACITY (2' OF FREEBOARD)  
+/- 9,490 BARRELS  
BACKFLOW PIT VOLUME  
+/- 2,660 CY

WELL PAD LEGEND

- EXISTING WELL LOCATION
- PROPOSED WELL LOCATION
- EXISTING CONTOURS (2' INTERVAL)
- PROPOSED CONTOURS (2' INTERVAL)



HORIZONTAL 0 30 60 1" = 60'  
2' CONTOURS

KERR-MCGEE OIL & GAS  
ONSHORE L.P.  
1099 18th Street - Denver, Colorado 80202

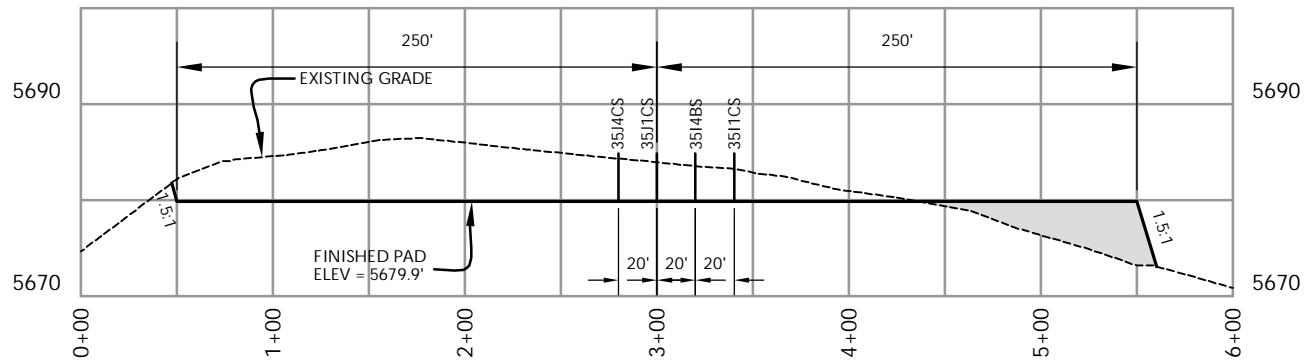
WELL PAD - LOCATION LAYOUT  
NBU 1022-35J4CS, NBU 1022-35J1CS,  
NBU 1022-35I4BS & NBU 1022-35I1CS  
LOCATED IN SECTION 35, T.10S., R.22E.  
S.L.B.&M., UINTAH COUNTY, UTAH



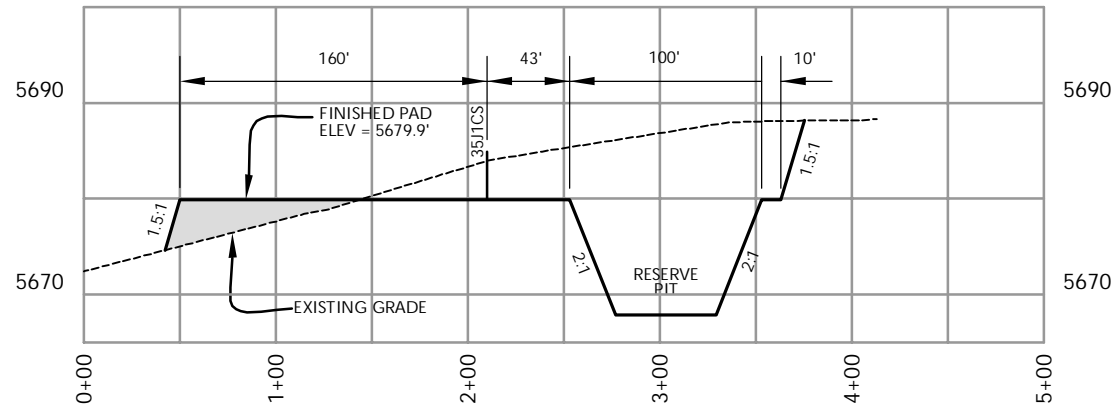
CONSULTING, LLC  
371 Coffeen Avenue  
Sheridan WY 82801  
Phone 307-674-0609  
Fax 307-674-0182

Scale: 1"=60'	Date: 3/16/09	SHEET NO: <b>6</b> 6 OF 13
REVISED:		

**Timberline** (435) 789-1365  
Engineering & Land Surveying, Inc.  
38 WEST 100 NORTH VERNAL, UTAH 84078



**CROSS SECTION A-A'**

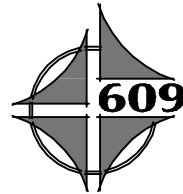


**CROSS SECTION B-B'**

NOTE: CROSS SECTION B-B' DEPICTS  
MAXIMUM RESERVE PIT DEPTH.

**KERR-MCGEE OIL & GAS  
ONSHORE L.P.**

1099 18th Street - Denver, Colorado 80202



**CONSULTING, LLC**  
371 Coffeen Avenue  
Sheridan WY 82801  
Phone 307-674-0609  
Fax 307-674-0182

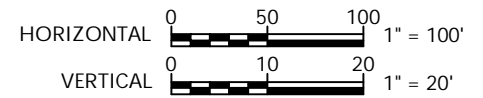
Scale: 1"=100'

Date: 3/16/09

SHEET NO:

**7**

7 OF 13

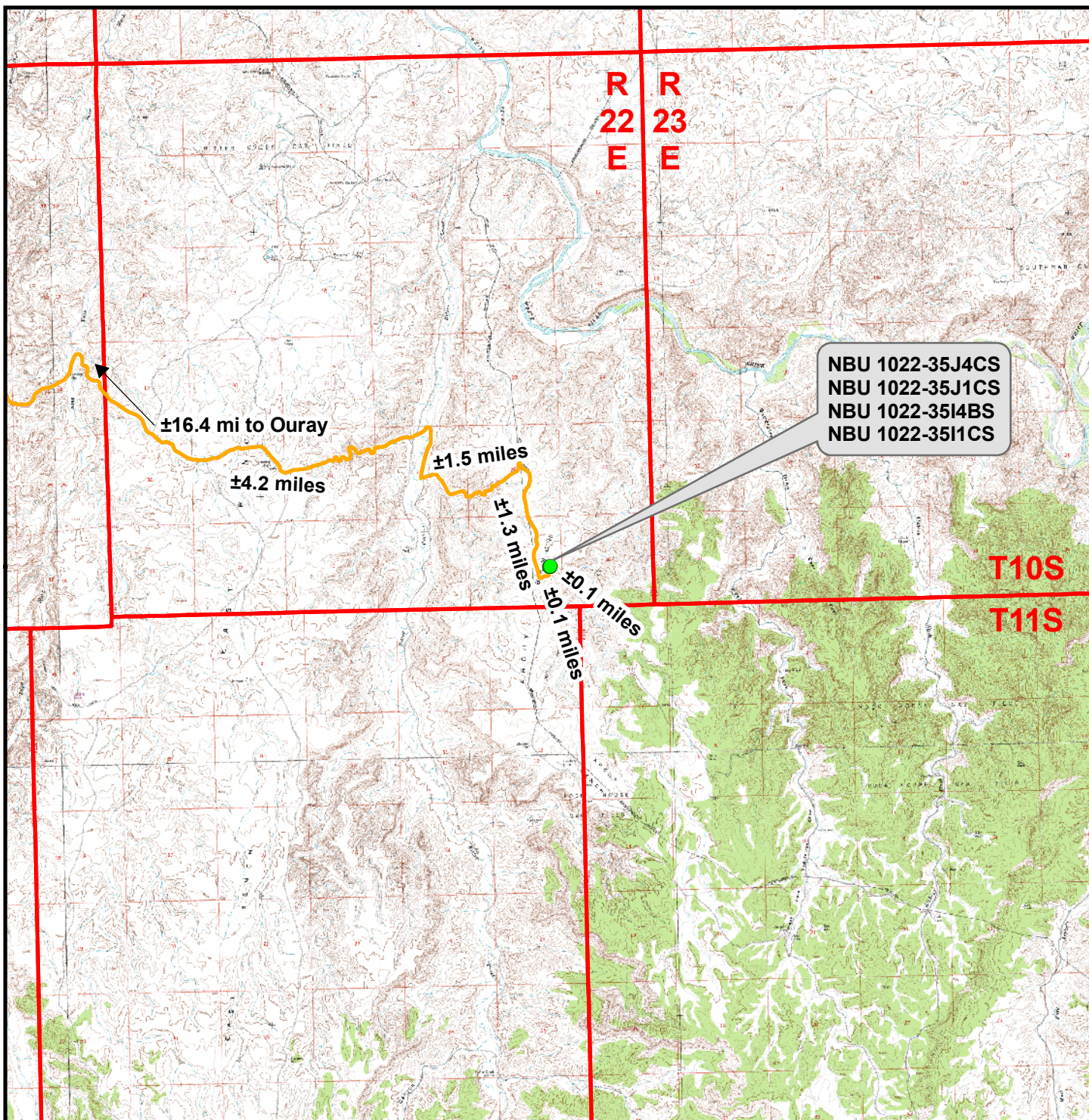


**Timberline** (435) 789-1365  
*Engineering & Land Surveying, Inc.*  
38 WEST 100 NORTH VERNAL, UTAH 84078

**WELL PAD - CROSS SECTIONS**  
NBU 1022-35J4CS, NBU 1022-35J1CS,  
NBU 1022-35I4BS & NBU 1022-35I1CS  
LOCATED IN SECTION 35, T.10S., R.22E.  
S.L.B.&M., UINTAH COUNTY, UTAH

'APIWellNo:43047507580000'





### Legend

- Proposed Well Location
- Access Route - Proposed

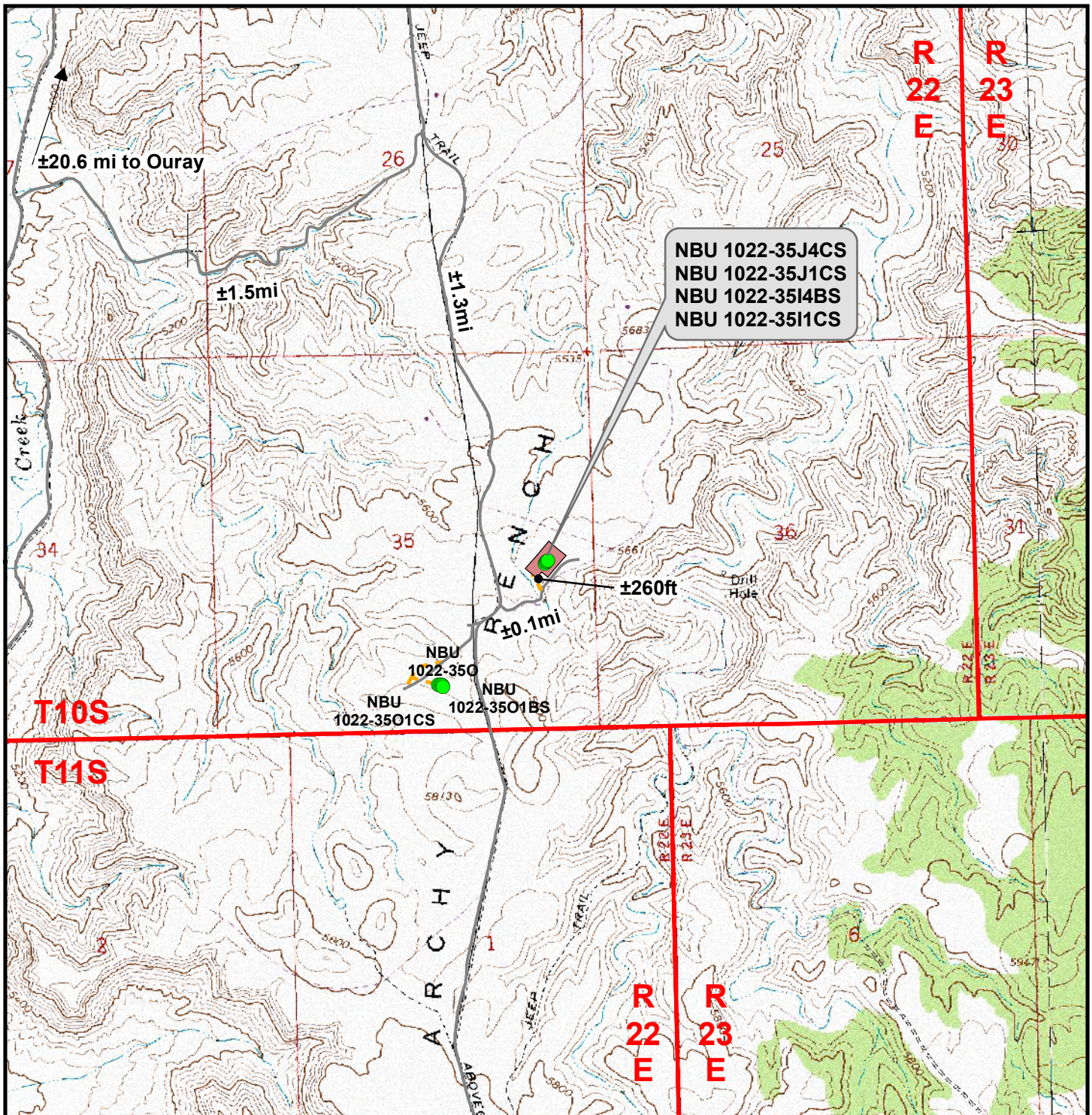
**Kerr-McGee Oil & Gas Onshore, LP**  
1099 18th Street, Denver, Colorado 80202

**NBU 1022-35J4CS, NBU 1022-35J1CS,  
NBU 1022-35I4BS & NBU 1022-35I1CS**  
**Topo A**  
**Located In Section 35, T10S, R22E**  
**S.L.B.&M., Uintah County, Utah**



Scale: 1:100,000	NAD83 USP Central	Sheet No:
Drawn: JELO	Date: 24 Feb 2009	<b>9</b>
Revised:	Date:	9 of 13





### Legend

- Well - Proposed
- Well Pad
- Road - Proposed
- Road - Existing

Total Proposed Road Length: ±260ft

**Kerr-McGee Oil & Gas Onshore, LP**  
1099 18th Street, Denver, Colorado 80202

**NBU 1022-35J4CS, NBU 1022-35J1CS,  
NBU 1022-35I4BS & NBU 1022-35I1CS**  
**Topo B**  
**Located In Section 35, T10S, R22E**  
**S.L.B.&M., Uintah County, Utah**

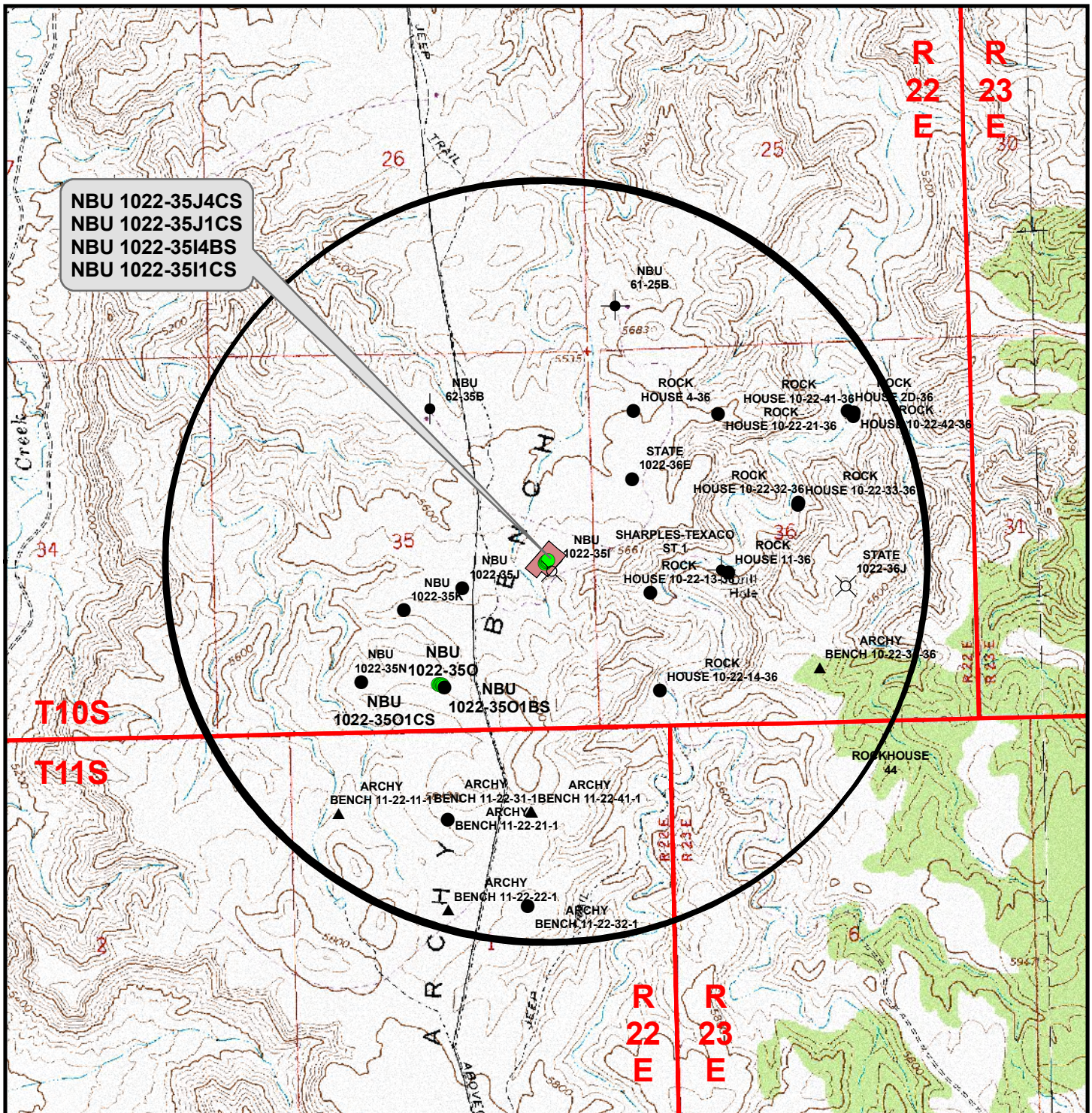


Scale: 1" = 2000ft	NAD83 USP Central
Drawn: JELO	Date: 24 Feb 2009
Revised:	Date:

Sheet No:

**10** 10 of 13





### Legend

- |  |   |  |  |  |
|--|---|--|--|--|
| <span style="color: green;">●</span> Well - Proposed   | <span style="border: 1px solid black; display: inline-block; width: 20px; height: 10px;"></span> Well - 1 Mile Radius | <span style="color: black;">●</span> Producing                                   | <span style="color: grey;">⊗</span> Location Abandoned     | <span style="color: black;">●</span> Shut-In |
| <span style="background-color: #d3d3d3; border: 1px solid black; display: inline-block; width: 20px; height: 10px;"></span> Well Pad |   | <span style="color: black;">▲</span> Approved permit (APD); not yet spudded      | <span style="color: black;">●</span> Temporarily-Abandoned |  |
|  |   | <span style="color: black;">○</span> Spudded (Drilling commenced: Not yet comple | <span style="color: black;">●</span> Plugged and Abandoned |  |

**Kerr-McGee Oil & Gas Onshore, LP**  
1099 18th Street, Denver, Colorado 80202

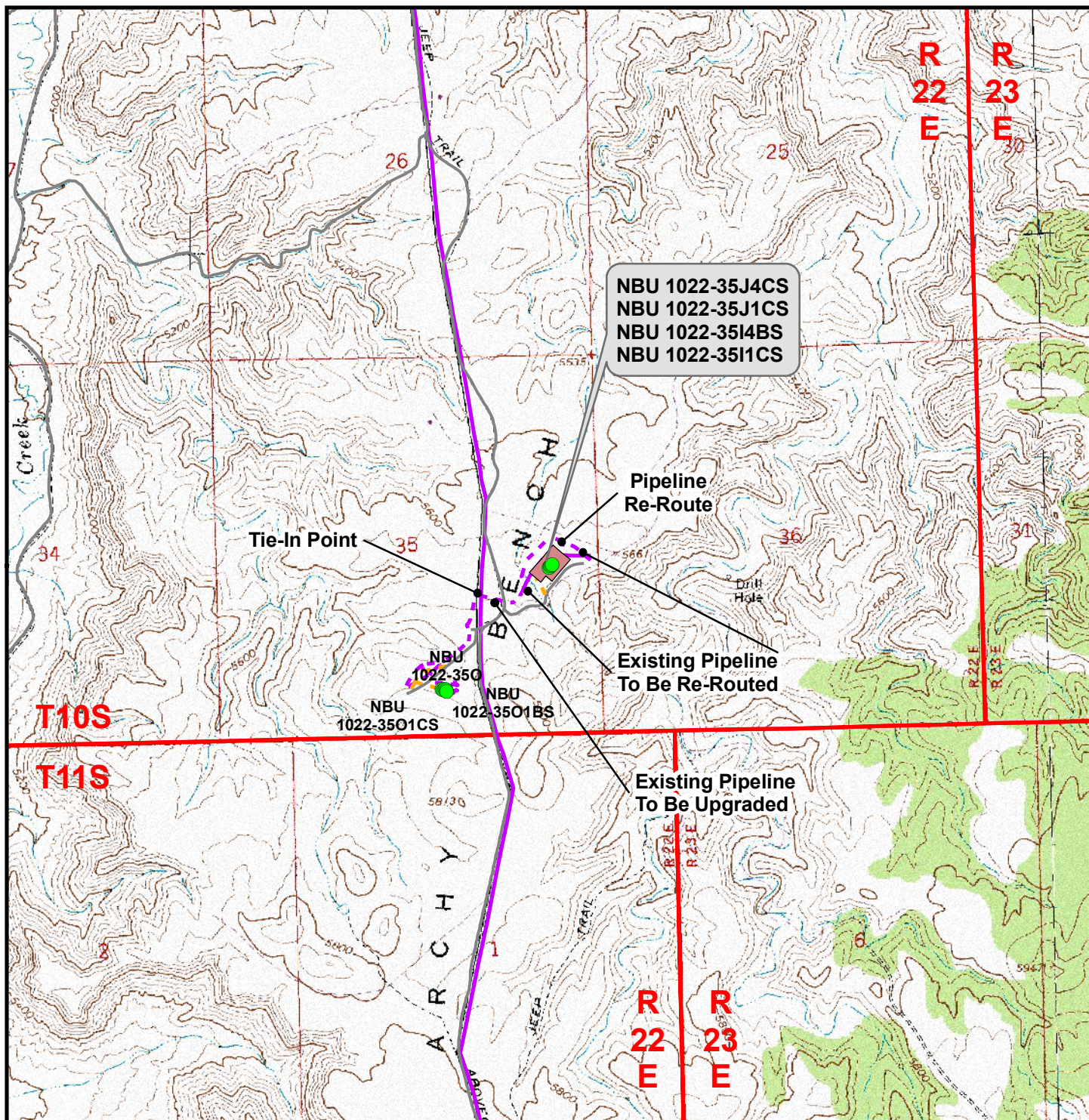
**NBU 1022-35J4CS, NBU 1022-35J1CS,  
NBU 1022-35I4BS & NBU 1022-35I1CS**  
**Topo C**  
**Located In Section 35, T10S, R22E**  
**S.L.B.&M., Uintah County, Utah**

**609**  
**CONSULTING, LLC**  
371 Coffeen Avenue  
Sheridan, WY 82801  
Phone (307) 674-0609  
Fax (307) 674-0182



Scale: 1" = 2000ft	NAD83 USP Central	Sheet No:
Drawn: JELO	Date: 24 Feb 2009	<b>11</b> 11 of 13
Revised:	Date:	





### Legend

- Well - Proposed
- Well Pad
- Road - Proposed
- Pipeline - Proposed
- Road - Existing
- Pipeline - Existing

Proposed Pipeline Length From Tie-In Point To Edge Of Pad:  $\pm 2,320$ ft  
 Proposed Pipeline Length Around Pad:  $\pm 660$ ft

Kerr-McGee Oil & Gas Onshore, LP  
 1099 18th Street, Denver, Colorado 80202

**NBU 1022-35J4CS, NBU 1022-35J1CS,  
 NBU 1022-35I4BS & NBU 1022-35I1CS**  
**Topo D**  
 Located In Section 35, T10S, R22E  
 S.L.B.&M., Uintah County, Utah



Scale: 1" = 2000ft  
 NAD83 USP Central  
 Drawn: JELO  
 Revised: Date: 24 Feb 2009

Sheet No:  
**12** 12 of 13



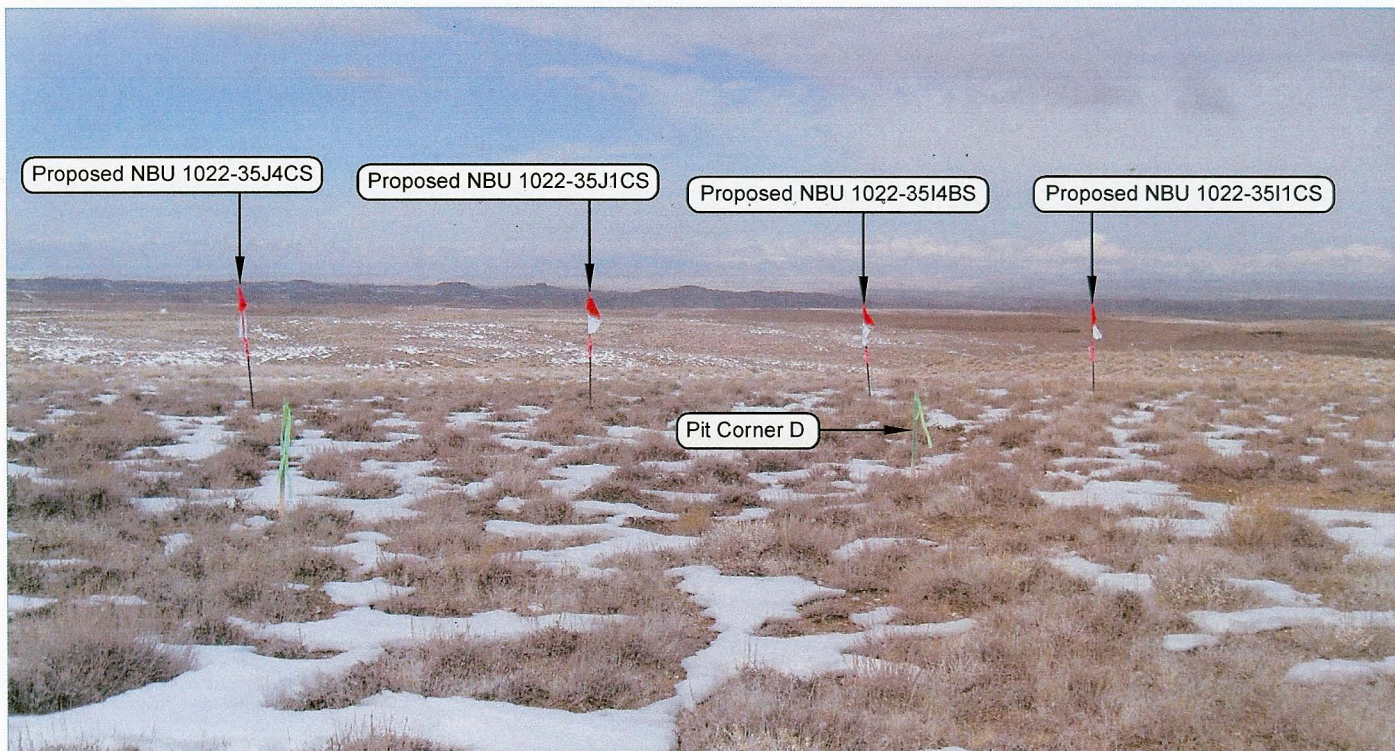


PHOTO VIEW: FROM PIT CORNER D TO LOCATION STAKES

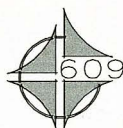
CAMERA ANGLE: NORTHERLY



PHOTO VIEW: FROM BEGINNING OF PROPOSED ROAD

CAMERA ANGLE: NORTHWESTERLY

**Kerr-McGee**  
**Oil & Gas Onshore, LP**  
 1099 18th Street - Denver, Colorado 80202



CONSULTING, LLC  
 371 Coffeen Avenue  
 Sheridan WY 82801  
 Phone 307-674-0609  
 Fax 307-674-0182

NBU 1022-35J4CS, NBU 1022-35J1CS,  
 NBU 1022-35I4BS & NBU 1022-35I1CS  
 LOCATED IN SECTION 35, T10S, R22E,  
 S.L.B.&M. UINTAH COUNTY, UTAH.

**LOCATION PHOTOS**

TAKEN BY: M.S.B.

DRAWN BY: M.W.W.

DATE TAKEN: 02-12-09

DATE DRAWN: 02-16-09

REVISED:

**Timberline**

Engineering & Land Surveying, Inc.  
 209 NORTH 300 WEST VERNAL, UTAH 84078

(435) 789-1365

**SHEET**  
**8**  
**OF 13**



**Kerr-McGee Oil & Gas Onshore, LP  
NBU 1022-35J4CS, NBU 1022-35J1CS, NBU 1022-35I4BS,  
& NBU 1022-35I1CS  
Section 35, T10S, R22E, S.L.B.&M.**

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 13.9 MILES TO THE JUNCTION OF STATE HIGHWAY 88. EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION ALONG STATE HIGHWAY 88 APPROXIMATELY 16.8 MILES TO OURAY, UTAH. FROM OURAY, PROCEED IN A SOUTHERLY DIRECTION ALONG THE SEEP RIDGE ROAD (COUNTY B ROAD 2810) APPROXIMATELY 11.2 MILES TO THE INTERSECTION OF THE GLEN BENCH ROAD (COUNTY B ROAD 3260). EXIT LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION ALONG THE GLEN BENCH ROAD APPROXIMATELY 5.2 MILES TO THE INTERSECTION OF THE BITTER CREEK ROAD (COUNTY B ROAD 4120). EXIT RIGHT AND PROCEED IN A SOUTHEASTERLY, THEN NORTHEASTERLY, THEN SOUTHERLY DIRECTION ALONG THE BITTER CREEK ROAD APPROXIMATELY 4.2 MILES TO THE INTERSECTION OF THE BITTER CREEK CUT OFF ROAD (COUNTY B ROAD 4140). EXIT LEFT AND PROCEED IN AN EASTERLY DIRECTION ALONG THE BITTER CREEK CUT OFF ROAD APPROXIMATELY 1.5 MILES TO THE ARCHY BENCH ROAD (COUNTY B ROAD 4150). EXIT RIGHT AND PROCEED IN A SOUTHERLY DIRECTION ALONG THE ARCHY BENCH ROAD APPROXIMATELY 1.3 MILES TO A TO A CLASS D COUNTY ROAD TO THE EAST. EXIT LEFT AND PROCEED IN AN EASTERLY, THEN NORTHEASTERLY DIRECTION ALONG THE CLASS D COUNTY ROAD APPROXIMATELY 0.1 MILES TO THE PROPOSED ACCESS ROAD. FOLLOW ROAD FLAGS IN A NORTHERLY DIRECTION APPROXIMATELY 260 FEET TO THE PROPOSED WELL LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE WELL LOCATION IS APPROXIMATELY 54.2 MILES IN A SOUTHERLY DIRECTION.

**NBU 1022-35I1CS**

Surface: 2,335' FSL 650' FEL (NE/4SE/4)

BHL: 2,170' FSL 460' FEL (NE/4SE/4)

**NBU 1022-35I4BS**

Surface: 2,320' FSL 663' FEL (NE/4SE/4)

BHL: 1,800' FSL 460' FEL (NE/4SE/4)

**NBU 1022-35J1CS**

Surface: 2,305' FSL 676' FEL (NE/4SE/4)

BHL: 2,170' FSL 1,700' FEL (NW/4SE/4)

**NBU 1022-35J4CS**

Surface: 2,290' FSL 689' FEL (NE/4SE/4)

BHL: 1,510' FSL 1,800' FEL (NW/4SE/4)

Pad: NBU 1022-35I

Sec. 35 T10S R22E

Mineral Lease: UTU 037167

Uintah, Utah

**ONSHORE ORDER NO. 1**

***MULTI-POINT SURFACE USE & OPERATIONS PLAN  
SUBMITTED WITH SITE-SPECIFIC INFORMATION***

This Application for Permit to Drill (APD) is filed under the Notice of Staking (NOS) process as stated in Onshore Order No. 1 (OSO #1) and supporting Bureau of Land Management (BLM) documents. NOSs were submitted on May 6, 2009 showing the surface locations in NE/4 SE/4 of Section 35 T10S R22E.

This Surface Use Plan of Operations (SUPO) or 13-point plan provides the site-specific information for the above-referenced wells. This information is to be incorporated by reference into the Master Development Plan (MDP) for Kerr-McGee Oil & Gas Onshore LP (Kerr-McGee). The MDP is available upon request from the BLM-Vernal Field Office.

An on-site meeting was held on May 27, 2009. Present were:

- Verlyn Pindell, Dave Gordon, Scott Ackerman – BLM;
- Kolby Kay – 609 Consulting, LLC;
- Tony Kazeck, Raleen White and Hal Blanchard – Kerr-McGee.

**Directional Drilling:**

In accordance with Utah Oil & Gas Conservation Rule R649-3-11 pertaining to Directional Drilling, this well will be directionally drilled in order to access portions of our lease which are otherwise inaccessible due to topography.

**A. Existing Roads:**

- A) Refer to Topo Map A for directions to the location.
- B) Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

**B. Planned Access Roads:**

*See MDP for additional details on road construction.*

Approximately  $\pm 260'$  ( $\pm 0.05$  mile) of access road is proposed. Please refer to the attached Topo Map

B. No pipelines will be crossed with the new construction.

*Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities were determined at the on-site and are typically shown on the attached Exhibits and Topo maps.*

**C. Location of Existing Wells Within a 1-Mile Radius:**

Please refer to Topo Map C.

**D. Location of Existing and Proposed Facilities:**

*See MDP for additional details on Existing and Proposed Facilities.*

*The following guidelines will apply if the well is productive.*

**Approximately  $\pm 2,980'$  ( $\pm 0.56$  miles) of pipeline is proposed. The existing pipeline, as shown on Topo D, will be upgraded to accommodate anticipated production from the proposed wells. The upgraded pipeline will follow the same route as the existing pipeline.** Pipeline segments will be welded or zaplocked together on disturbed areas in or near the location, whenever possible, and dragged into place.

Per the onsite meeting, there was an estimated 6 inches of topsoil.

**E. Location and Type of Water Supply:**

*See MDP for additional details on Location and Type of Water Supply.*

Water for drilling purposes will be obtained from one of the following sources:

- Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32 T4S R3E, Water User Claim number 43-8496, application number 53617.
- Price Water Pumping Inc. Green River and White River, various sources, Water Right Number 49-1659, application number: a35745.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

**F. Source of Construction Materials:**

*See MDP for additional details on Source of Construction Materials.*

**G. Methods of Handling Waste Materials:**

*See MDP for additional details on Methods of Handling Waste Materials.*

Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites:

RNI in Sec. 5 T9S R22E

NBU #159 in Sec. 35 T9S R21E

Ace Oilfield in Sec. 2 T6S R20E

MC&MC in Sec. 12 T6S R19E

Pipeline Facility in Sec. 36 T9S R20E

Goat Pasture Evaporation Pond in SW/4 Sec. 16 T10S R22E

Bonanza Evaporation Pond in Sec. 2 T10S R23E

**H. Ancillary Facilities:**

*See MDP for additional details on Ancillary Facilities.*

None are anticipated.

**I. Well Site Layout: (See Location Layout Diagram)**

*See MDP for additional details on Well Site Layout.*

All pits will be fenced according to the following minimum standards:

- Net wire (39-inch) will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.
- Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.
- All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

**J. Plans for Reclamation of the Surface:**

*See MDP for additional details on Plans for Reclamation of the Surface.*

**K. Surface/Mineral Ownership:**

United States of America

Bureau of Land Management

170 South 500 East

Vernal, UT 84078

(435)781-4400

**L.     Other Information:**

*See MDP for additional details on Other Information.*



**M. Lessee's or Operators' Representative & Certification:**

Kathy Schneebeck Dulnoan  
Staff Regulatory Analyst  
Kerr-McGee Oil & Gas Onshore LP  
PO Box 173779  
Denver, CO 80217-3779  
(720) 929-6007

Tommy Thompson  
General Manager, Drilling  
Kerr-McGee Oil & Gas Onshore LP  
PO Box 173779  
Denver, CO 80217-3779  
(720) 929-6724

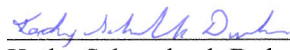
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Bureau of Land Management Nationwide Bond WYB000291.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that I have full knowledge of the State and Federal laws applicable to this operation; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

  
Kathy Schneebeck Dulnoan

September 17, 2009  
Date



# Kerr-McGee Oil & Gas Onshore LP

1099 18th Street, Suite 1800  
Denver, CO 80202-1918  
P.O. Box 173779  
Denver, CO 80217-3779  
720-929-6000

May 5, 2009

Mrs. Diana Mason  
Division of Oil, Gas and Mining  
P.O. Box 145801  
Salt Lake City, UT 84114-6100

Re: Directional Drilling R649-3-11  
NBU 1022-35J1CS (FKA NBU 1022-35J1S)  
T10S-R22E  
Section 35: NWSE  
Surface: 2305' FSL, 676' FEL  
Bottom Hole: 2170' FSL, 1700' FEL  
Uintah County, Utah

Dear Mrs. Mason:

Pursuant to the filing of Kerr-McGee Oil & Gas Onshore LP's (Kerr-McGee) Application for Permit to Drill regarding the above referenced well, we are hereby submitting this letter in accordance with Oil & Gas Conservation Rule R649-3-11 pertaining to the Exception to Location and Siting of Wells.

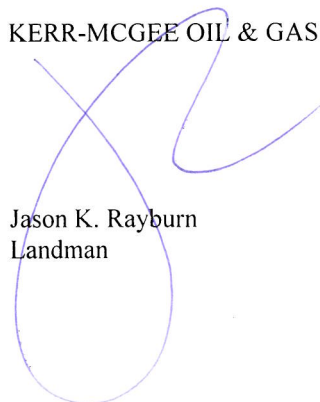
- Kerr-McGee's NBU 1022-35J1CS located within the Natural Buttes Unit area.
- Kerr-McGee is permitting this well as a directional well in order to minimize surface disturbance. Locating the well at the surface location and directionally drilling from this location, Kerr-McGee will be able to utilize the existing road and pipelines in the area.
- Furthermore, Kerr-McGee certifies that it is the sole working interest owner within 460 feet of the entire directional well bore.

Therefore, based on the above stated information Kerr-McGee Oil & Gas Onshore LP requests the permit be granted pursuant to R649-3-11.

Sincerely,

KERR-MCGEE OIL & GAS ONSHORE LP

Jason K. Rayburn  
Landman

A large, stylized handwritten signature in blue ink, appearing to be 'JR', is written over the typed name and extends upwards into the 'KERR-MCGEE OIL & GAS ONSHORE LP' line.

CLASS I REVIEW OF KERR-MCGEE OIL AND GAS  
ONSHORE LP'S 10 PROPOSED NBU WELL LOCATIONS  
IN TOWNSHIP 10S, RANGE 22E, SECTION 35  
UINTAH COUNTY, UTAH

By:

Nicole Shelnut

Prepared For:

Bureau of Land Management  
Vernal Field Office

Prepared Under Contract With:

Kerr-McGee Oil and Gas Onshore LP  
1368 South 1200 East  
Vernal, Utah 84078

Prepared By:

Montgomery Archaeological Consultants, Inc.  
P.O. Box 219  
Moab, Utah 84532

MOAC Report No. 09-010

March 12, 2009

United States Department of Interior (FLPMA)  
Permit No. 08-UT-60122

**IPC #09-52**

## **Paleontological Reconnaissance Survey Report**

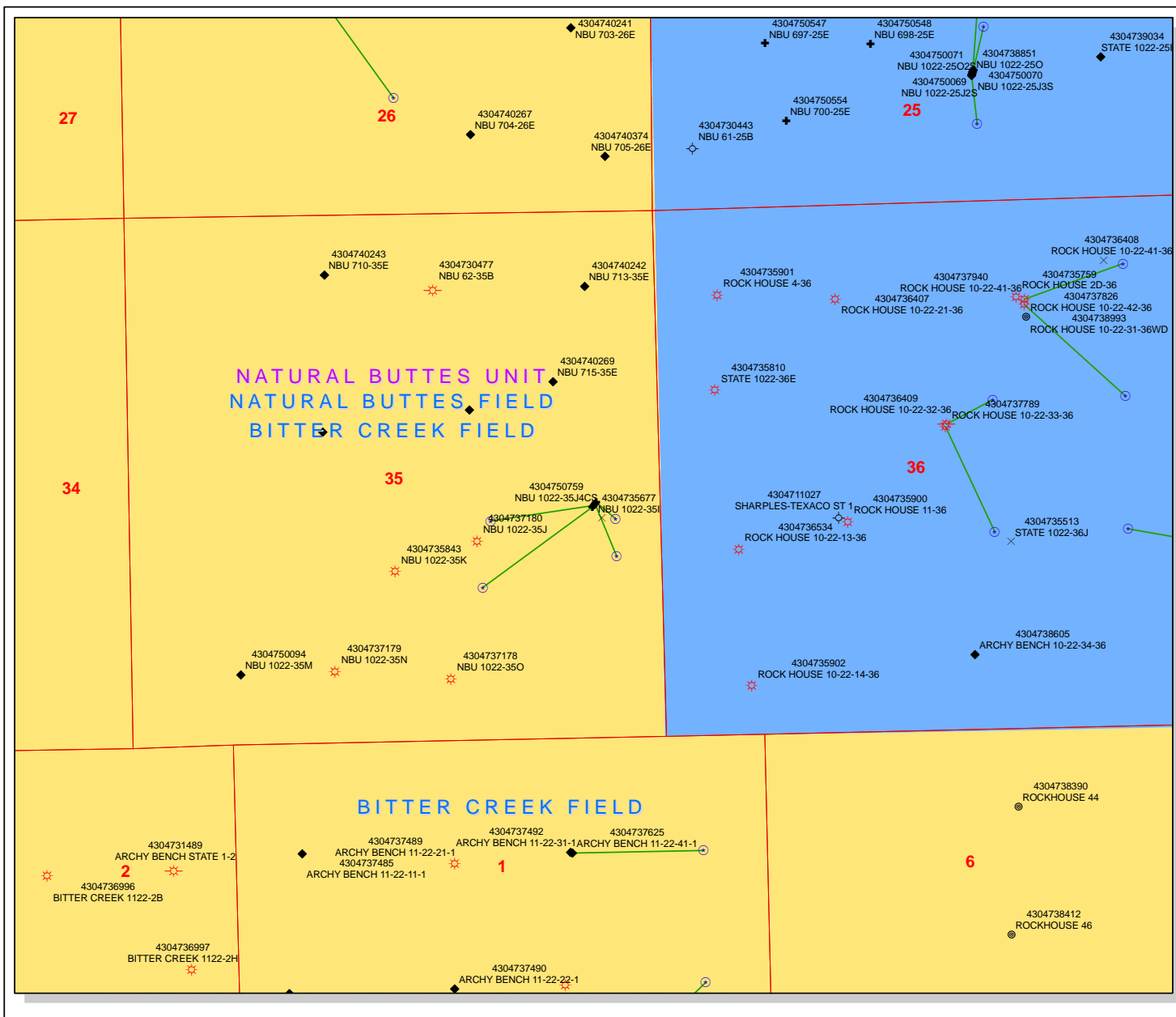
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**Survey of Kerr McGee's Proposed Multi-Well Pads, Access Roads,  
Road Re-Route, Pipeline Upgrades, & Pipeline Re-Routes  
"NBU #1022-35N1CS, K4CS, O1BS & O1CS,  
& #1022-35J4CS, J1CS, I4BS & I1CS"  
(Sec. 35, T 10 S, R 222 E)**

Archy Bench  
Topographic Quadrangle  
Uintah County, Utah

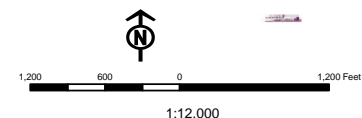
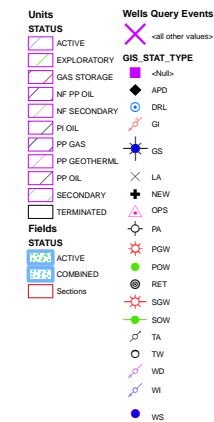
March 27, 2009

Prepared by Stephen D. Sandau  
Paleontologist for  
Intermountain Paleo-Consulting  
P. O. Box 1125  
Vernal, Utah 84078



**API Number: 4304750758**  
**Well Name: NBU 1022-35J1CS**  
**Township 10.0 S Range 22.0 E Section 35**  
**Meridian: SLBM**  
 Operator: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Map Prepared:  
 Map Produced by Diana Mason



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, Utah 84145-0155

### IN REPLY REFER TO:

3160  
(UT-922)

September 25, 2009

### Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2009 Plan of Development Natural Buttes Unit Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2009 within the Natural Buttes Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
(Proposed PZ WASATCH-MESA VERDE)		
43-047-50757	NBU 1022-35I4BS	Sec 35 T10S R22E 2320 FSL 0663 FEL
	BHL	Sec 35 T10S R22E 1800 FSL 0460 FEL
43-047-50758	NBU 1022-35J1CS	Sec 35 T10S R22E 2305 FSL 0676 FEL
	BHL	Sec 35 T10S R22E 2170 FSL 1700 FEL
43-047-50759	NBU 1022-35J4CS	Sec 35 T10S R22E 2290 FSL 0689 FEL
	BHL	Sec 35 T10S R22E 1510 FSL 1800 FEL
43-047-50760	NBU 1022-9L4AS	Sec 09 T10S R22E 1095 FSL 1951 FWL
	BHL	Sec 09 T10S R22E 1760 FSL 1250 FWL
43-047-50761	NBU 1022-9M1AS	Sec 09 T10S R22E 1097 FSL 1931 FWL
	BHL	Sec 09 T10S R22E 1270 FSL 1250 FWL
43-047-50762	NBU 1022-9M1DS	Sec 09 T10S R22E 1100 FSL 1911 FWL
	BHL	Sec 09 T10S R22E 0765 FSL 1250 FWL
43-047-50763	NBU 1022-9O1BS	Sec 09 T10S R22E 1093 FSL 1971 FWL
	BHL	Sec 09 T10S R22E 1175 FSL 1890 FEL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File – Natural Buttes Unit  
Division of Oil Gas and Mining  
Central Files  
Agr. Sec. Chron  
Fluid Chron

MCoulthard:mc:9-25-09

# WORKSHEET

## APPLICATION FOR PERMIT TO DRILL

**APD RECEIVED:** 9/17/2009

**API NO. ASSIGNED:** 43047507580000

**WELL NAME:** NBU 1022-35J1CS

**OPERATOR:** KERR-MCGEE OIL & GAS ONSHORE, L.P. (N2995)

**PHONE NUMBER:** 720 929-6156

**CONTACT:** Danielle Piernot

**PROPOSED LOCATION:** NESE 35 100S 220E

**Permit Tech Review:** ☒

**SURFACE:** 2305 FSL 0676 FEL

**Engineering Review:** ☒

**BOTTOM:** 2170 FSL 1700 FEL

**Geology Review:** ☒

**COUNTY:** UINTAH

**LATITUDE:** 39.90450

**LONGITUDE:** -109.39936

**UTM SURF EASTINGS:** 636827.00

**NORTHINGS:** 4418175.00

**FIELD NAME:** NATURAL BUTTES

**LEASE TYPE:** 1 - Federal

**LEASE NUMBER:** UTU 037167

**PROPOSED PRODUCING FORMATION(S):** WASATCH-MESA VERDE

**SURFACE OWNER:** 1 - Federal

**COALBED METHANE:** NO

### RECEIVED AND/OR REVIEWED:

☒ **PLAT**

☒ **Bond:** FEDERAL - WYB000291

☐ **Potash**

☒ **Oil Shale 190-5**

☐ **Oil Shale 190-3**

☐ **Oil Shale 190-13**

☒ **Water Permit:** Permit #43-8496

☐ **RDCC Review:**

☐ **Fee Surface Agreement**

☒ **Intent to Commingle**

**Commingle Approved**

### LOCATION AND SITING:

☐ **R649-2-3.**

**Unit:** NATURAL BUTTES

☐ **R649-3-2. General**

☐ **R649-3-3. Exception**

☒ **Drilling Unit**

**Board Cause No:** Cause 173-14

**Effective Date:** 12/2/1999

**Siting:** 460' fr u bdry & uncomm. tract

☒ **R649-3-11. Directional Drill**

**Comments:** Presite Completed

**Stipulations:**  
3 - Commingle - ddoucet  
4 - Federal Approval - dmason  
15 - Directional - dmason  
17 - Oil Shale 190-5(b) - dmason





## State of Utah

### DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
*Executive Director*

#### Division of Oil, Gas and Mining

JOHN R. BAZA  
*Division Director*

## Permit To Drill

\*\*\*\*\*

**Well Name:** NBU 1022-35J1CS  
**API Well Number:** 43047507580000  
**Lease Number:** UTU 037167  
**Surface Owner:** FEDERAL  
**Approval Date:** 10/1/2009

#### Issued to:

KERR-MCGEE OIL & GAS ONSHORE, L.P., P.O. Box 173779, Denver, CO 80217

#### Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of Cause 173-14. The expected producing formation or pool is the WASATCH-MESA VERDE Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

#### Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

#### Commingling:

In accordance with Board Cause No. 173-14, commingling of the production from the Wasatch formation and the Mesaverde formation in this well is allowed.

#### General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

#### Conditions of Approval:

State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

In accordance with the Order in Cause No. 190-5(b) dated October 28, 1982, the operator shall comply with the requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operators shall ensure that the surface and or production casing is properly cemented over the entire oil shale section as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the division.

#### Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

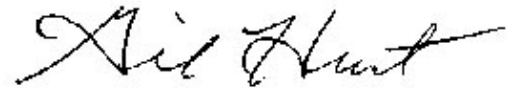
- Within 24 hours following the spudding of the well – contact Carol Daniels at 801-538-5284 (please leave a voicemail message if not available)
- OR
- submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at <https://oilgas.ogm.utah.gov>

**Reporting Requirements:**

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) – due within 5 days of spudding the well
- Monthly Status Report (Form 9) – due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) – due prior to implementation
- Written Notice of Emergency Changes (Form 9) – due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) – due prior to implementation
- Report of Water Encountered (Form 7) – due within 30 days after completion
- Well Completion Report (Form 8) – due within 30 days after completion or plugging

**Approved By:**

A handwritten signature in black ink, appearing to read "Gil Hunt", with a stylized, cursive script.

Gil Hunt  
Associate Director, Oil & Gas

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU 037167
<b>1. TYPE OF WELL</b> Gas Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.		<b>7. UNIT or CA AGREEMENT NAME:</b> NATURAL BUTTES
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		<b>8. WELL NAME and NUMBER:</b> NBU 1022-35J1CS
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 2305 FSL 0676 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NESE Section: 35 Township: 10.0S Range: 22.0E Meridian: S		<b>9. API NUMBER:</b> 43047507580000
<b>PHONE NUMBER:</b> 720 929-6007 Ext		<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
<b>COUNTY:</b> UTAH		<b>STATE:</b> UTAH

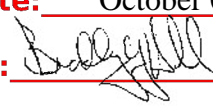
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 9/30/2010  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> <b>APD EXTENSION</b> OTHER: <input style="width: 100px;" type="text"/>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  
 Kerr-McGee Oil & Gas Onshore, L.P. (Kerr-McGee) respectfully requests an extension to this APD for the maximum time allowed. Please contact the undersigned with any questions and/or comments. Thank you.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: October 06, 2010

By: 

<b>NAME (PLEASE PRINT)</b> Danielle Piernot	<b>PHONE NUMBER</b> 720 929-6156	<b>TITLE</b> Regulatory Analyst
<b>SIGNATURE</b> N/A		<b>DATE</b> 9/30/2010



## The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

### Request for Permit Extension Validation Well Number 43047507580000

**API:** 43047507580000

**Well Name:** NBU 1022-35J1CS

**Location:** 2305 FSL 0676 FEL QTR NESE SEC 35 TWNP 100S RNG 220E MER S

**Company Permit Issued to:** KERR-MCGEE OIL & GAS ONSHORE, L.P.

**Date Original Permit Issued:** 10/1/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☐ Yes ☒ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

Approved by the  
Utah Division of  
Oil, Gas and Mining

**Signature:** Danielle Piernot

**Date:** 9/30/2010

**Title:** Regulatory Analyst **Representing:** KERR-MCGEE OIL & GAS ONSHORE, L.P.

**Date:** October 06, 2010

**By:** 

RECEIVED September 30, 2010

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>			
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU 037167			
<b>1. TYPE OF WELL</b> Gas Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>			
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.		<b>7. UNIT or CA AGREEMENT NAME:</b> NATURAL BUTTES			
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		<b>8. WELL NAME and NUMBER:</b> NBU 1022-35J1CS			
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 2305 FSL 0676 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NESE Section: 35 Township: 10.0S Range: 22.0E Meridian: S		<b>9. API NUMBER:</b> 43047507580000			
<b>PHONE NUMBER:</b> 720 929-6515 Ext		<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES			
<b>COUNTY:</b> UINTAH		<b>STATE:</b> UTAH			
<b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>					
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>				
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 10/1/2011  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ACIDIZE  <input type="checkbox"/> CHANGE TO PREVIOUS PLANS  <input type="checkbox"/> CHANGE WELL STATUS  <input type="checkbox"/> DEEPEN  <input type="checkbox"/> OPERATOR CHANGE  <input type="checkbox"/> PRODUCTION START OR RESUME  <input type="checkbox"/> REPERFORATE CURRENT FORMATION  <input type="checkbox"/> TUBING REPAIR  <input type="checkbox"/> WATER SHUTOFF  <input type="checkbox"/> WILDCAT WELL DETERMINATION         </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ALTER CASING  <input type="checkbox"/> CHANGE TUBING  <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS  <input type="checkbox"/> FRACTURE TREAT  <input type="checkbox"/> PLUG AND ABANDON  <input type="checkbox"/> RECLAMATION OF WELL SITE  <input type="checkbox"/> SIDETRACK TO REPAIR WELL  <input type="checkbox"/> VENT OR FLARE  <input type="checkbox"/> SI TA STATUS EXTENSION  <input type="checkbox"/> OTHER         </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> CASING REPAIR  <input type="checkbox"/> CHANGE WELL NAME  <input type="checkbox"/> CONVERT WELL TYPE  <input type="checkbox"/> NEW CONSTRUCTION  <input type="checkbox"/> PLUG BACK  <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION  <input type="checkbox"/> TEMPORARY ABANDON  <input type="checkbox"/> WATER DISPOSAL  <input checked="" type="checkbox"/> APD EXTENSION          OTHER: <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px; vertical-align: middle;"></span> </td> </tr> </table>		<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px; vertical-align: middle;"></span>
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<b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b>  Kerr-McGee Oil & Gas Onshore, L.P. (Kerr-McGee) respectfully requests an extension to this APD for the maximum time allowed. Please contact the undersigned with any questions and/or comments. Thank you.					
<b>Approved by the Utah Division of Oil, Gas and Mining</b>  <b>Date:</b> 09/20/2011 <b>By:</b>					
<b>NAME (PLEASE PRINT)</b> Danielle Piernot		<b>PHONE NUMBER</b> 720 929-6156			
<b>SIGNATURE</b> N/A		<b>TITLE</b> Regulatory Analyst			
<b>DATE</b> 9/19/2011					



## The Utah Division of Oil, Gas, and Mining

- State of Utah  
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

### Request for Permit Extension Validation Well Number 43047507580000

**API:** 43047507580000

**Well Name:** NBU 1022-35J1CS

**Location:** 2305 FSL 0676 FEL QTR NESE SEC 35 TWNP 100S RNG 220E MER S

**Company Permit Issued to:** KERR-MCGEE OIL & GAS ONSHORE, L.P.

**Date Original Permit Issued:** 10/1/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☐ Yes ☒ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

**Signature:** Danielle Piernot

**Date:** 9/19/2011

**Title:** Regulatory Analyst **Representing:** KERR-MCGEE OIL & GAS ONSHORE, L.P.

**RECEIVED** Sep. 19, 2011



# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
*Executive Director*

### Division of Oil, Gas and Mining

JOHN R. BAZA  
*Division Director*

May 9, 2012

Jenn Hawkins  
Anadarko Petroleum Corporation  
1099 18th Street, Suite 1800  
Denver, CO 80202

Re: APDs Rescinded for Anadarko Petroleum Corporation  
Uintah County

Dear Ms. Hawkins:

Enclosed find the list of APDs that you requested to be rescinded. No drilling activity at these locations has been reported to the division. Therefore, approval to drill these wells is hereby rescinded, effective May 2, 2012.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason  
Environmental Scientist

cc: Well File  
Bureau of Land Management, Vernal  
SITLA, Ed Bonner

4304750055	NBU 753-32E	4304740374	NBU 705-26E
4304750683	NBU 634-12EX	4304750123	NBU 920-12N
4304740346	NBU 921-15N1S	4304750143	NBU 920-13J
4304740347	NBU 921-14M3S	4304750751	NBU 920-21G
4304740348	NBU 921-22A1S	4304750756	NBU 1022-35I1CS
4304750089	NBU 921-15O3T	4304750757	NBU 1022-35I4BS
4304740441	NBU 1022-25G2S	4304750758	NBU 1022-35J1CS
4304740442	NBU 1022-25G4S	4304750759	NBU 1022-35J4CS
4304740443	NBU 1022-25G3S	4304740380	NBU 920-13D
4304750852	FEDERAL 920-23O	4304750155	FEDERAL 920-24O
4304751026	NBU 921-12K	4304750769	NBU 1022-35K4CS
4304751027	NBU 921-12L	4304750770	NBU 1022-35N1CS
4304751028	NBU 921-12M	4304750771	NBU 1022-35O1BS
4304751039	NBU 920-21O	4304750772	NBU 1022-35O1CS
4304750697	NBU 687-30E	4304750791	NBU 921-10O
4304750811	NBU 699-25E	4304750792	NBU 921-10M
4304740153	NBU 1022-05JT	4304740439	NBU 1022-24P2S
4304740135	NBU 921-15MT	4304740440	NBU 1022-24P4S
4304750468	NBU 738-30E		
4304739369	NBU 922-18O		
4304739372	NBU 922-20E		
4304740184	NBU 921-30FT		
4304740217	NBU 759-29E		
4304740218	NBU 737-30E		
4304750461	NBU 1022-24O2S		
4304740267	NBU 704-26E		
4304740240	NBU 702-26E		
4304740241	NBU 703-26E		
4304750578	NBU 920-14B		
4304750579	NBU 920-14A		
4304740268	NBU 701-26E		
4304750627	NBU 920-21P		
4304750628	NBU 920-21N		
4304750682	NBU 921-12J		
4304750695	NBU 921-12N		
4304750111	NBU 921-11GT		
4304750112	NBU 921-11HT		
4304750118	NBU 740-30E		





# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Green River District-Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410

<http://www.blm.gov/ut/st/en/fo/vernal.html>

**MAY 14 2012**



IN REPLY REFER TO:  
3160 (UTG011)

Julie Jacobson  
Anadarko Petroleum Corporation  
Kerr McGee Oil & Gas Onshore LP  
1099 18<sup>th</sup> Street, Suite 600  
Denver, CO 80202

43 047 50758

Re: Request to Return APD  
Well No. NBU 1022-35J1CS  
NESE, Sec. 35, T10S, R22E  
Uintah County, Utah  
Lease No. UTU-037167  
Natural Buttes Unit

Dear Ms. Jacobson:

The Application for Permit to Drill (APD) for the above referenced well received in this office on September 25, 2009, is being returned unapproved per a request to this office in an email message from you received on April 23, 2012. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

If you have any questions regarding APD processing, please contact Cindy Severson at (435) 781-4455.

Sincerely,

Jerry Kenczka  
Assistant Field Manager  
Lands & Mineral Resources

Enclosures

cc: UDOGM

**RECEIVED**

**MAY 22 2012**

DIV. OF OIL, GAS & MINING